



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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General Notice

NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

No. 163 2022

DRAFT PROPOSED STANDARDS PUBLISHED UNDER THE FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021

The draft standards, as set out in Schedule 1, are published by the Namibia Financial Institutions Supervisory Authority (NAMFISA) under section 409(3) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021).

All financial institutions, financial intermediaries, industry associations or self-regulatory organisations are invited to make representations in writing to NAMFISA with respect to the draft proposed standards, within 60 calendar days after the date of publication. Such representations will be taken into account in determining whether to issue the standards as originally published or in a modified form.

Written representations must be supplied in the template provided under Schedule 2, and must be submitted to NAMFISA at the Upper Ground floor, Gutenberg Plaza, 51 – 55 Werner List Street, Windhoek or email; acloete@namfisa.com.na and projectnewdawn@namfisa.com.na

ADV. H. GARBERS-KIRSTEN
CHAIRPERSON OF THE BOARD
NAMFISA

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****INSURANCE****GOVERNANCE****Standard No. INS.S.2.19**

issued by NAMFISA under section 410(3)(dd), read with section 10(1)(c)(ii) and section 17 of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “conflict of interest” means a situation in which a key person, director or member of the board encounters, while rendering a financial service to a client, if that situation –
 - (i) impairs the objectivity of the financial institution or financial intermediary in any aspect of rendering the financial service to the client; or
 - (ii) prevents the financial institution or financial intermediary from rendering the financial service to the client in an unbiased and fair manner or from acting in the best interest of the client.
 - (c) “Non- Executive Director” means an individual not involved in the day to day management of the insurer or reinsurer and is not a salaried employee of an insurer and reinsurer or its subsidiaries.
 - (d) “Independent Auditor” means the auditor appointed under section 17 of the Act who is not currently employed, has not been employed by the insurer or reinsurer in any capacity for past 6 years and is not related to the insurer or reinsurer, its affiliates, associates, its senior managers or its service providers.
 - (e) “Independent Director” means a director who –
 - (i) has no direct or indirect interest in the registered insurer or reinsurer or in any related party to a registered insurer or reinsurer; and
 - (ii) is not a representative of a shareholder who has ability to control or significantly influence management or the board of a registered insurer or reinsurer;
 - (f) “Related Party Transactions” means transactions involving the transfer of resources, services or obligations between related parties, regardless of whether the price is charged.
 - (g) “Independence” means the absence of interest, position, association or relationship, which, when judged from a perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making.

(h) “IFRS” means International Financial Reporting Standards.

(2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following:

(a) as defined in section 1 of the Act –

- (i) auditor;
- (iii) board;
- (iv) director;
- (iii) generally accepted accounting practice (GAAP);
- (iv) financial institutions;
- (vii) NAMFISA; and
- (Viii) principal officer;

(b) as defined in section 4 of the Act –

- (i) insurer;
- (ii) reinsurer;
- (iv) registered insurer; and
- (v) registered reinsurer.

2. This Standard applies to all registered insurers and reinsurers pursuant to section 11.

3. This standard also takes cognizance of the provisions in the following General Standards –

- a) General Standard 10.2 – Fit and Proper Requirements Under the Act;
- b) General Standard 10.9 – Code of Conduct Requirements Under the Act;
- c) General Standard 10.3 – Governance;
- d) General Standard 10.8 – Independence; and
- e) General Standard 10.20 – Definition of related party transactions and identifying those that are prohibited under the Act/standards.

4. Every registered insurer or reinsurer should adhere to the following principles of corporate governance as prescribed in this standard.

Independence

5. (1) The board of a registered insurer or reinsurer shall pursuant to section 10(1) (c) (ii) –

- (a) consist of a minimum of 5 directors of which a third shall be independent non-executive directors; and
- (b) where the board comprises of more than 5 directors, the majority shall be non-executive directors.

6. Independent director means a director who –

- (a) has not been employed by the insurer or reinsurer in any executive capacity within the preceding five (5) years;

- (b) is not associated to an adviser or consultant to the insurer or reinsurer or a member of the insurer or reinsurer's senior management or a significant customer or supplier of the insurer/reinsurer or an association or related party or an any entity that receives significant contributions from the insurer/reinsurer; or within the preceding five (5) years, has not had any business relationship with the insurer/reinsurer (other than service as a director) for which the insurer/reinsurer has been required to make disclosure;
 - (c) has no personal service contract(s) with the insurer/reinsurer, or a member of the insurer or reinsurer's senior management;
 - (d) is not employed by a public listed company or an unlisted company at which an executive officer of the insurer or reinsurer serves as a director;
 - (e) is not a member of the immediate family of any person described above; or
 - (f) has not had any of the relationships described above with any affiliate of the insurer or reinsurer.
7. An independent director(s) should not be an employee of an insurer or reinsurer or employee of a related party.
8. A director who is regarded as an independent director of a holding or related party shall not be deemed or considered independent on the subsidiary within the group.
9. To ensure independence, no director shall serve for a consecutive period of more than 6 years.
10. The following instance may render the director not to be independent
- (1) Where the member, spouse or related person is an employee of the insurer or reinsurer;
 - (2) Where the member has served the board longer than 6 years, unless otherwise than stipulated in clause 9;
 - (3) Where a director is an associate, employee of the company or any of its affiliates;
 - (4) Where the member serves on the board of a related party; and
 - (5) Where a director serves on more than one board within a group.
11. An independent Auditor shall be engaged for a maximum duration of six (6) years beyond which he/they are no longer considered independent.

Board composition

12. Pursuant to section 394 every registered insurer and reinsurer must have full reporting structures that the board of directors must be comprised of, such as chairman, principal officer, directors etc.
13. No board shall only be comprised of foreign executive directors (principal officers, chief financial officers, chief operational officers etc.). Every board of a registered insurer and reinsurer should balance the board with Namibian executives.

14. Senior management of the registered insurer or reinsurer, with responsibilities relating to the business in Namibia, must be a Namibian citizen residing in Namibia or foreigner ordinarily resident in Namibia.

15. The board of a registered insurer/reinsurer should have a minimum number of five (5) board members who have relevant minimum qualifications and expertise¹ among them as necessary to provide effective leadership direction and oversight of the insurer or reinsurer's business to ensure it is conducted in a sound and prudent manner. For this purpose additionally –

- (1) the board should collectively and individually have, and continue to maintain, including through training, necessary skills, knowledge and understanding of the insurer or reinsurer's business to be able to fulfil their roles;
- (2) the board should have knowledge and understanding of areas such as the lines of insurance/reinsurance underwritten by the insurer or reinsurance, actuarial and underwriting risks, finance, accounting, the role of control functions, investment analysis and portfolio management and obligations relating to fair treatment of customers;
- (3) while certain areas of expertise may lie in some, but not all, members, the collective Board should have an adequate spread and level of relevant competencies and understanding as appropriate to the insurer or reinsurer's business.

Board Committees

16. Pursuant to section 398 of the Act, the registered insurer or reinsurer's Board should set up the committees necessary for the performance of the following functions but not limited to –

- (1) Investment;
- (2) risk management;
- (3) asset management;
- (4) policyholders protection;
- (5) ethics; and
- (6) nomination and remuneration.

17. (1) The board shall put in place specific list of the mandatory minimum policies, board structures and board committees that financial entities are required to have in place, so as to enforce compliance.

- (2) The policies shall comprise of the following but not limited to –
 - (a) investment management policies;
 - (b) risk underwriting policy; and
 - (c) reinsurance policy.

Tenure of office and appointment

18. The term of service for board member shall be limited to 6 years.

¹Qualifications and relevant expertise as ascribed in INS.S.2.3 Schedule 2

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****FORM OF REGISTRATION CERTIFICATE FOR AN INSURANCE BROKER****Standard No. INS.S.2.20**

*issued by NAMFISA under section 410(2)(c), read with section 59(3) of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following:

(a) as defined in section 1 of the Act:

- (i) NAMFISA; and
- (ii) principal office;

(b) as defined in section 53 of the Act:

- (i) insurance broker;
- (ii) corporate insurance broker;
- (iii) corporate reinsurance broker; and
- (v) reinsurance broker.

Applicability

2. This Standard applies to all insurance brokers registered pursuant to section 59(3).

Form of certificate of registration

3. The certificate of registration to be issued pursuant to section 59(3) must take the form of the Annexure attached to this Standard.

ANNEXURE

Registration. No

CERTIFICATE OF REGISTRATION

Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021)

**REGISTRATION AS AN INSURANCE/REINSURANCE/CORPORATE INSURANCE
OR REINSURANCE BROKER**
(insert whichever is applicable)

This is to certify that

with principal office: _____

**has been duly registered in terms of section 59(3) of the Financial Institutions and
Markets Act, 2021 (Act No. 2 of 2021).**

EXPIRY DATE

DATE OF REGISTRATION

CHIEF EXECUTIVE OFFICER

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 (Act No. 2 of 2021)**MINIMUM CAPITAL, CAPITAL ADEQUACY, SOLVENCY AND LIQUIDITY
REQUIREMENTS FOR INVESTMENT MANAGERS, AND THE CONDUCT OF THE
BUSINESS OF INVESTMENT MANAGEMENT WITH INTEGRITY, PRUDENCE AND
PROFESSIONAL SKILL, AND IN A WAY THAT ENSURES THAT A SOUND FINANCIAL
POSITION IS MAINTAINED AND DOES NOT CAUSE OR PROMOTE INSTABILITY
IN THE FINANCIAL SYSTEM OF NAMIBIA****Standard No. FM.S.3.6**

*issued by NAMFISA under section 410(2)(l) and (q) of the Financial Institutions
and Markets Act, 2021*

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2019 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “client asset” means an item of property owned by a person, regarded as having value and available to meet debts, commitments, or legacies including money of any currency that, in the course of carrying on its investment management activities, the investment manager holds or receives on behalf of a client, or owes a client;
 - (c) “liquid asset” means an instrument that qualify for investment in the money market or an asset that can be converted into cash in a short time with little or no loss in value including accounts receivable, demand and time deposits;
 - (d) “marketable securities” means financial instruments that are very liquid and can be easily and quickly converted into cash at a reasonable price, and includes commercial paper, banker’s acceptances, treasury bills and other money market instruments;
 - (e) “money market” means the sector of the financial market that includes financial instruments that have a maturity or redemption date that is one year or less at the time of issuance.
 - (f) “money market instrument” means high quality debt securities issued by government and corporate borrowers, whose maturity or redemption date is up to one year, that seek to preserve capital and provide daily liquidity, while offering returns in line with money market rates; and
 - (g) “paid-up share capital” means the amount of money a company has received from shareholders in exchange for participation in the ownership of the company by selling its shares on the primary market directly to investors.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following –

- (a) as defined in section 1 of the Act –
 - (i) client;
 - (ii) collective investment scheme;
 - (iii) entity; and
 - (iv) NAMFISA,
- (b) as defined in section 78 of the Act –
 - (i) investment manager;
 - (ii) investment management; and
 - (iii) issuer

Applicability

2. This Standard applies to all financial intermediaries involved in investment management.

1 Capital Based Requirements

Minimum Capital and Solvency

1. The investment manager must maintain, on an ongoing basis, paid-up share capital of at least N\$250 000.00 (two hundred and fifty thousand dollars) for employment in the business.

2. The investment manager must not be under liquidation or provisional liquidation.

3. Subject to clause 6, the investment manager must maintain professional indemnity insurance or fidelity insurance cover or both such insurances sufficient to cover the risk of losses due to fraud, dishonesty, negligence or any other dishonest acts or breaches of professional duty of its employees, directors or representatives.

4. The nature and extent of the insurance contemplated in clause 5 must be adequate and appropriate to the level of complexity and size of the business operations undertaken by the investment manager.

5. If the investment manager forms part of a group of companies, the professional indemnity insurance or fidelity insurance cover may be obtained at group level, but –

- (1) each entity that is covered by the group policy must be clearly identified in the policy documentation;
- (2) the amount of cover must be sufficient to cover the amounts required for each individual entity's situation; and
- (3) each entity that is covered must have a certified copy of the policy documentation available for scrutiny by NAMFISA.

6. The minimum professional indemnity insurance or fidelity insurance cover must be N\$1,000,000 (one million Namibia dollars), or such other amount as may be determined, by way of written notice from time to time, by NAMFISA.

Capital adequacy

7. The assets of the investment manager, excluding non-marketable securities, immovable property, goodwill and any other intangible assets, must at all times exceed its liabilities.

8. The investment manager must, at all times, maintain marketable securities that exceed its liabilities by a sufficient margin to cover the risks to the investment manager's net worth, and must be structured to result in capital addressed to the full range of risks to which the investment manager is subject.

Liquidity adequacy

9. The investment manager must, at all times, maintain liquid assets equal to 13/52 weeks of annual budgeted expenditure.

10. In determining the "annual budgeted expenditure" to meet the 13/52 weeks liquidity requirement as prescribed under clause 9, the following items may be excluded:

- (1) employee bonuses and commissions (except where guaranteed);
- (2) employees', directors', and members' share in profits;
- (3) emoluments of directors or members;
- (4) other appropriation of profits to directors or members;
- (5) asset management fees that are calculated as a percentage of assets under management;
- (6) donations;
- (7) provision for bad debts; and
- (8) any loss resulting from the sale of fixed assets.

11. The investment manager must have in place sound, effective and comprehensive strategies and processes to assess and maintain on an ongoing basis, the amounts, types and distribution of capital that it considers adequate to cover the nature and level of the risks to which it is or might be exposed, and maintain records such that capital levels can be readily determined at any time, and report to NAMFISA at least quarterly, or as may be determined by way of written notice from time to time by NAMFISA.

2 Non-Capital Based Requirements (Conduct of business obligations when providing investment management services to clients)

Standards of conduct

12. The investment manager must observe high standards of integrity, prudence, professional care and fair dealing when conducting investment management activities, and must act in the best interest of clients with due skill, care, diligence and good faith.

13. The investment manager must have sound administrative and accounting procedures, internal control mechanisms, effective procedures for risk assessment, and effective control and safeguard arrangements for information processing systems.

14. Outsourcing of important operational functions, where permitted, may not be undertaken in such a manner as to impair materially the quality of its internal control and the ability of NAMFISA to monitor the investment manager's compliance with all obligations.

Conflict of interest

15. The investment manager must take all reasonable steps to identify conflicts of interest between itself, including its managers, employees and representatives, or any person directly or indirectly linked to it by control and its clients, or between one client and another, that arise in the course of providing any investment management services.

16. The investment manager must adopt and document appropriate policies to minimise those conflicts of interest by identifying the instances where it would refuse to act and, where this is not necessary, making arrangements to minimise the risk of any loss to the client.

17. The investment manager must not take advantage of information it obtained from providing services to a client for its own benefit or the benefit of its employees or the benefit of another client, and where such an eventuality is likely to occur, the investment manager must –

- (1) adopt and document procedures, including the erection of information barriers, barriers between information technology systems, physical barriers or, if necessary, separate office locations, to minimise the possibility of information from one client being used for the benefit of another client, its employees;
- (2) train employees in matters relating to conflicts of interest and the procedures developed to avoid them; and
- (3) obtain undertakings from employees that they will not use information gained from clients to the benefit of the investment manager or for their personal benefit.

18. Where the investment manager has a material interest in a transaction to be entered into with or for a client, or a relationship which gives rise to a conflict of interest, the investment manager must not advise or exercise discretion in relation to that transaction unless it has –

- (1) disclosed the material interest or relationship that may give rise to a conflict, as the case may be, to the client; and
- (2) taken reasonable steps to ensure that neither the material interest nor relationship would adversely affect the interests of the client.

19. The investment manager must take reasonable steps to ensure that neither it nor any of its employees or agents offers or gives, or solicits or accepts, any inducement that is likely to conflict with any of the duties owed to clients.

Protection, segregation and safekeeping of client assets

20. The investment manager must take reasonable steps to ensure continuity and regularity in the performance of investment management services and activities. To that end, the investment manager must employ appropriate and proportionate systems, resources and procedures.

21. The investment manager must hold its clients' assets in trust for and on behalf of the clients on behalf of whom the assets were received.

22. The investment manager must open one or more client accounts for purposes of segregating clients' assets.

23. The investment manager must segregate its client bank accounts from any account holding assets belonging to the investment manager.

24. The investment manager must ensure that clients' assets do not form part of the assets of the investment manager for any purpose, and must not be available in any circumstance for payment of any debt of the investment manager.

25. The investment manager must deposit into a client bank account all funds received on behalf of, or from a client, upon receipt.

26. The investment manager must, on a daily basis reconcile its records showing the amounts held on behalf of each client in the client bank account and the aggregate of clients' assets held in the client account or being held by third parties on behalf of clients.

27. Where there is more than one client bank account, the investment manager must reconcile each client bank account separately as well as the aggregate position on all clients' accounts.

28. The investment manager must keep records of:

- (1) all the amounts it has deposited into a client bank account held by the investment manager, specifying the client on whose behalf the amounts are held and the dates on which they were deposited into the account;
- (2) all withdrawals from a client bank account, the dates of the withdrawals, and the names of the client on whose behalf the withdrawals were made; and
- (3) any other particulars as may be determined, by way of written notice from time to time, by NAMFISA.

Protection of client rights

29. The investment manager must not, in any written communication or agreement, exclude or restrict –

- (1) any duty or liability to a client which it has under any law;
- (2) any other duty to act with integrity, prudence, professional care, skill and diligence that is owed to a client in connection with the provision to that client, of investment management services; or
- (3) any liability owed to a client for failure to exercise the degree of integrity, prudence, professional care, skill and diligence that may reasonably be expected of it in the provision of investment management services.

Client's understanding of risk

30. The investment manager must not –

- (1) recommend a transaction to a client, or effect a transaction with or for a client, unless it has taken all reasonable steps to enable the client to understand the risks involved;
- (2) knowingly mislead a client on any advantages or disadvantages of a contemplated transaction; or
- (3) promise a return unless such return is contractually guaranteed.

31. When providing investment management services, the investment manager must obtain the necessary information regarding the client's knowledge and experience in the investment field relevant to the specific type of product or service, the client's financial situation and investment objectives, so as to enable the investment manager to recommend to the client, the investments and financial instruments that are suitable for them.

32. Appropriate information must be provided in a comprehensible form to clients or potential clients about –

- (1) the investment manager and its services;

- (2) financial instruments and proposed investment strategies, including appropriate guidance on, and warnings of the risks associated with investments in those instruments, or in respect of particular investment strategies; and
- (3) costs and associated charges, so that they are reasonably able to understand the nature and risks of the investment management service and of the specific type of financial instrument that is being offered and, consequently, to take investment decisions on an informed basis.

33. The investment manager must, when making recommendations to a client, take all reasonable steps to satisfy itself that the client has a full understanding of the –

- (1) nature of the investment;
- (2) fees and charges associated with the investment;
- (3) risks of the investment;
- (4) factors that are likely to affect the performance of the investment;
- (5) terms and conditions of the investment; and
- (6) consequences of deviating from the terms and conditions of the investment.

Fair and clear communication

34. Clients must receive from the investment manager, adequate reports on the service provided. These reports must include, where applicable, the costs associated with the transactions and services undertaken on behalf of the client.

35. All information, including marketing communication, addressed by the investment manager to clients or potential clients must be fair, clear and not misleading. Marketing communication must be clearly identifiable as such.

Investment manager's understanding of investment options

36. When assessing an investment, the investment manager must assess the availability, reliability and relevance of information available both on the market and on the underlying assets. The analysis of the structure of the investment must be conducted both in normal and in stress scenarios.

37. When assessing an investment, the unique properties of the specific pool of assets must not be assumed to be identical to the broader asset category. Investment managers must ensure that their analysis of the underlying assets is based on information that is relevant for that specific type of underlying assets.

38. The investment manager must understand how cash flows will be allocated to the different tranches of the investment, whatever the structure of the investment.

39. The investment manager must have the appropriate expertise, including legal expertise and processes in place to perform credit risk assessment appropriate to the nature, scale and complexity of any investment strategy they implement and the type and proportion of debt instruments they invest in, and must refrain from investing in products or issuers when they do not have enough information to perform an appropriate credit risk assessment.

40. The investment manager must ensure when investing on behalf of a collective investment scheme that the investment is consistent with the disclosures, mandate and internal operations of the collective investment scheme, or with the way it has been marketed to investors.

41. The investment manager must make its own determination as to the credit quality of a counterparty, collateral or financial instrument before investing and throughout the holding period.

Reliance on credit rating agencies and other third parties

42. External credit ratings may form one element, among others, of the internal assessment process but do not constitute the sole factor supporting the credit analysis.

43. Where external credit ratings are used, the investment manager must understand the methodologies, parameters and the basis on which the assessment of a credit rating agency was produced, and have adequate means and expertise to identify the limitations of the methodology and assumptions used to form that assessment. The investment manager must also have adequate means and expertise to challenge the methodology and parameters.

44. The investment manager must review with the client, its disclosures describing alternative sources of credit information in addition to external credit ratings and make available to investors, as appropriate, a brief summary description of their internal credit assessment process, including how external credit ratings may be used to complement or as part of the manager's own internal credit assessment methods.

45. Where external credit ratings are used, a downgrade should not automatically trigger the immediate sale of investment assets. Should the investment manager decide to divest, the transaction must be conducted within a timeframe that is in the best interests of the investors.

46. The investment manager must ensure that its internal assessment process is regularly updated and applied consistently.

47. The investment manager must ensure, when relying on a third party for the performance of operational functions which are critical for the provision of continuous and satisfactory investment management services to clients and the performance of investment management activities on a continuous and satisfactory basis, that it takes reasonable steps to avoid undue additional operational risk.

Safekeeping and retention of records

48. The investment manager must safely preserve the transaction, accounting and other records for a minimum period of five years from the date on which they are made, or any such later period as may be required by any other applicable law.

Client confidentiality

49. The investment manager must keep all information in its possession confidential, relating to a client, whether obtained from the client or third parties.

50. The investment manager must adopt and document policies and procedures designed to ensure that information obtained from clients and third parties is kept confidential and secure.

51. The policies and procedures adopted under clause 50 must include:

- (1) a requirement that employees undertake to maintain confidentiality in their contract of employment;

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION FOR REGISTRATION AS A CENTRAL SECURITIES DEPOSITORY, AN EXCHANGE, A SECURITIES CLEARING HOUSE, AN INVESTMENT MANAGER, A LINKED INVESTMENT SERVICE PROVIDER, A SECURITIES RATING AGENCY, A SECURITIES DEALER OR A SECURITIES ADVISOR PURSUANT TO SECTION 83(4)****Standard No. FM.S.3.7**

issued by NAMFISA under section 410(2)(c), read with sections 83 (1), (2), (3) and (4) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act; and
 - (b) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following –
- (a) as defined in section 1 of the Act –
 - (i) banking institution;
 - (ii) board;
 - (iii) director;
 - (iv) document;
 - (v) NAMFISA;
 - (vi) public company;
 - (b) as defined in section 78 of the Act –
 - (i) authorised advisor;
 - (ii) central securities depository;
 - (iii) clearing house;
 - (iv) exchange;
 - (v) investment manager;
 - (vi) linked investment service provider;
 - (vii) securities advisor;
 - (viii) securities clearing house;
 - (ix) securities dealer;
 - (x) securities rating agency.

Applicability

2. This Standard applies to an entity referred to in sections 83(1) and (2) of the Act, applying for registration as a central securities depository, an exchange, a securities clearing house, an investment manager, a linked investment service provider, a securities rating agency, a securities dealer or a securities advisor (hereinafter referred to as “applicant”).

3. An application for registration as a central securities depository, an exchange, a securities clearing house, an investment manager, a linked investment service provider, a securities rating agency, a securities dealer or a securities advisor must be made to NAMFISA in accordance with clause 4.

Particulars to be furnished upon application

4. Pursuant to section 83 of the Act, an applicant that intends to apply for registration as a central securities depository, an exchange, a securities clearing house, an investment manager, a linked investment service provider, a securities rating agency, a securities dealer or a securities advisor must –

- (a) be in writing, and provide the particulars as specified in Schedule 1, Application form for registration granted pursuant to sections 83 (1), (2), (3) and (4) ;
- (b) be signed by a person duly authorised to represent the applicant;
- (c) be accompanied by proof of registration as a Namibian Company with the Registrar of Companies (BIPA) (CM “1” form);
- (d) be accompanied by its Memorandum and Articles of Association (“CM “2” and CM “44” forms);
- (e) be accompanied by a Certificate to commence business (CM “46”);
- (f) be accompanied with the details of all directors (CM “29”);
- (g) be accompanied with the full details, qualifications and curriculum vitae of the Chief Executive Officer, Principal Officer and directors;
- (h) be accompanied by the applicant’s company organogram and confirmation of operational systems;
- (i) be accompanied by details of its bank account with a banking institution;
- (j) be accompanied with details of its nominee company;
- (k) be accompanied by a board resolution authorizing the applicant’s representative to apply for registration on behalf of the applicant;
- (l) be accompanied by a detailed business plan;
- (m) be accompanied by proof of sufficient paid-up capital and unimpaired reserves;
- (n) be accompanied by Tax Certificate from the Receiver of Revenue;
- (o) be accompanied by proof of the newspaper notice under section 83(5);
- (p) if the applicant is a central securities depository, be accompanied by the proposed rules of the central securities depository;
- (q) if the applicant is an exchange, be accompanied by the proposed listing requirements and proposed rules of the exchange; and
- (r) be accompanied by proof of payment of the prescribed application fee.

5. The applicant must disclose all information as required in the Schedules and all parts must be duly completed.

6. (1) An application, incomplete in all respects and not conforming to the instructions specified in the Schedules may be rejected on the basis of being non-compliant with this Standard.

(2) In instances where the application is deemed incomplete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within seven working days, failing which the application shall be rejected.

7. Nothing shall prevent NAMFISA from seeking further or additional information or documents as may be reasonably necessary for processing of the application for registration.

8. The applicant or its duly authorised representative may,² if so required, be called to appear before NAMFISA for a personal representation in connection with the application.

Submission

9. (1) An application for registration must be submitted to NAMFISA electronically on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, the applicant must submit specified documentation manually to NAMFISA.

Supporting Schedules

10. The following supporting schedules are attached to and form part of this Standard:

Schedule 1 - Application for Registration as A Central Securities Depository, An Exchange, A Securities Clearing House, An Investment Manager, A Linked Investment Service Provider, A Securities Rating Agency, A Securities Dealer Or A Securities Advisor;

SCHEDULE 1

APPLICATION FOR REGISTRATION AS A CENTRAL SECURITIES DEPOSITORY, AN EXCHANGE, A SECURITIES CLEARING HOUSE, AN INVESTMENT MANAGER, A LINKED INVESTMENT SERVICE PROVIDER, A SECURITIES RATING AGENCY, A SECURITIES DEALER OR A SECURITIES ADVISOR PURSUANT TO SECTION 83 OF THE ACT

PART 1

COMPANY INFORMATION

SECTION 1: GENERAL

1.1 Full registered name: _____

1.2 Previously registered name(s), if any: _____

1.3 Trading name(s): _____

1.4 Company registration No.: _____

1.5 Country of registration: _____

¹Applicant to attach the original copy of letter or document of authorisation.

1.6 Income Tax registration No. and VAT registration No., if applicable:

1.7 Financial year-end of the company: _____

1.8 Registered address of the company: _____

1.9 Principal office address: _____

1.10 Postal address: _____

1.11 Telephone No: _____

1.12 Website, if any: _____

1.13 E-mail address: _____

1.14 Is the company subject to regulation in a foreign country or financial services intermediary?

1.15 If yes, which jurisdiction? _____

1.16 Name of foreign regulator(s)? _____

SECTION 2: FINANCIAL RESOURCES

We hereby confirm that the applicant has, at minimum, paid-up share capital adequate for employment in the business and will maintain liquid resources that cover 13 weeks of annual expenditure at all times.

	Paid-up share capital
Paid-up share capital	N\$

SECTION 3: AUDITOR

3.1 Full name of appointed auditor: _____

3.2 Company Registration No.: _____

3.3 Auditor's registration number with PAAB: _____

3.4 Tax Reference No.: _____

3.5 Contact person: _____

3.6 Postal address: _____

3.7 Physical address: _____

3.8 Telephone No.: _____

3.9 Email address: _____

3.10 Website, if any: _____

SECTION 4: DIRECTORS

<Provide details of each director, using a separate sheet as attachment where applicable>

4.1 Full names of director: _____

4.2 Identification/Passport No.: _____

4.3 Nationality: _____

4.4 Postal address: _____

4.5 Telephone No.: _____

4.6 Mobile No.: _____

4.7 Email address: _____

SECTION 5: SHAREHOLDERS OR OTHER OWNER WHO CONTROLS THE APPLICANT

<Attach the full shareholder organigram.

Provide details of each shareholder or other owner who controls the applicant, using a separate sheet as attachment where applicable; if it is a company, provide contact person's details>

5.1 Full name/registered name of shareholder: _____

5.2 Previous surname(s) / previously registered name(s): _____

5.3 Identification/Passport/Company registration No.: _____

5.4 Date of birth/ Date of incorporation: _____

5.5 Nationality/Country of incorporation: _____

5.6 Postal address: _____

5.7 Telephone No.: _____

5.8 Mobile No.: _____

5.9 Email address of shareholder or contact person: _____

5.10 Shareholding percentage: _____

SECTION 7: CHIEF EXECUTIVE OFFICER

7.1 Full names: _____

7.2 Identification/Passport No.: _____

7.3 Nationality: _____

7.4 Gender: _____

7.5 Postal address: _____

7.6 Telephone No.: _____

7.7 Mobile No.: _____

7.8 Email address: _____

SECTION 8: APPOINTED PRINCIPAL OFFICER**PERSONAL DETAILS**

8.1 Full names: _____

8.2 Identification/Passport No.: _____

8.3 Nationality: _____

8.4 Physical address: _____

8.5 Postal address: _____

8.6 Telephone No.: _____

8.7 Mobile No.: _____

8.8 Email address: _____

EXPERIENCE AND EMPLOYMENT HISTORY (complete table)

Relevant employment history and experience in the industry: (To be supported with proof of relevant experience, including but not limited to reference letters from previous employers or clients or certificates of service from previous employers. Enclose detailed Curriculum Vitae.)

Position held	Employer	Contact Details	Period

EDUCATIONAL BACKGROUND (complete table)

Qualification	Institution	Date obtained

ADDITIONAL TRAINING OR CERTIFICATION (complete table)

Training / certification course	Institution	Date obtained

SECTION 9: BANK DETAILS (operational account)

<Proof of bank account to be attached>

9.1 Name of bank: _____

9.2 Branch name: _____

9.3 Account No.: _____

9.4 Branch code: _____

PART 2

APPLICANT FIT AND PROPER (FAP) REQUIREMENTS QUESTIONNAIRE
--

SECTION 1: HONESTY AND INTEGRITY

If the answer to any of the questions is yes, provide full details on a separate page and attach certified documents to the form:

		YES	NO
1	Has an adverse finding been made against the applicant within a period of ten years preceding the date of application in any civil or criminal proceedings by a court of law (whether in Namibia or elsewhere), in which the company has been found to have acted fraudulently, dishonestly, unprofessionally, dishonourably or in breach of a fiduciary duty?	<input type="checkbox"/>	<input type="checkbox"/>
2	Has the applicant within a period of ten years preceding the date of application, been found guilty by any professional, financial services industry or regulatory body (whether in Namibia or elsewhere), of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>

3	Has the applicant within a period of ten years preceding the date of application, been denied membership of anybody referred to in question 2 above on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
4	Has the applicant within a period of ten years preceding the date of application, been found guilty by any regulatory or supervisory body (whether in Namibia or elsewhere), or has an authorisation to carry on business been refused, suspended or withdrawn by any such body on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
5	Has the applicant at any time prior to the date of application been disqualified or prohibited by any court of law (whether in Namibia or elsewhere) from taking part in the management of any other corporate entity or other statutorily created, recognised or regulated body, irrespective whether such disqualification has since been lifted or not?	<input type="checkbox"/>	<input type="checkbox"/>
6	Has the applicant been the subject of any investigation or disciplinary proceedings or has administrative action been taken or administrative penalties been imposed by any regulatory authority, professional or government body or agency, an exchange or self-regulatory organisation (whether in Namibia or elsewhere)?	<input type="checkbox"/>	<input type="checkbox"/>
7	Has the applicant ever been refused authorisation to carry on business by any regulatory body (whether in Namibia or elsewhere), or has such authorisation ever been suspended or revoked by any such body, because of negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
8	Has the applicant ever been placed under judicial management, insolvency, liquidation or any other processes of a similar nature?	<input type="checkbox"/>	<input type="checkbox"/>
9	Has the applicant ever been convicted of an offence or found to be liable under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or the Prevention of Organized Crime Act, 2004 (Act No. 29 of 2004), and/or the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No. 4 of 2014) and/or any other similar Acts describing similar offences and/or liability in any country?	<input type="checkbox"/>	<input type="checkbox"/>
10	Is the applicant in bad repute with any business or financial community or any market?	<input type="checkbox"/>	<input type="checkbox"/>
11	Does the applicant have any additional information, which should be brought to the Registrar's attention, which may have an impact on the evaluation by the Registrar of the applicant's conduct ?	<input type="checkbox"/>	<input type="checkbox"/>

PART 3**OPERATIONAL ABILITY OF APPLICANT****SECTION 1: QUESTIONNAIRE**

		YES	NO
1	Does the applicant's compliance arrangements specify how often compliance with procedures will be monitored and reported?	<input type="checkbox"/>	<input type="checkbox"/>
2	Does the applicant use a documented process to maintain the adequacy of its compliance and monitor arrangements?	<input type="checkbox"/>	<input type="checkbox"/>
3	Does the applicant document processes to ensure records are kept for training programs attended, including continued education training, for its key individuals and/or representatives?	<input type="checkbox"/>	<input type="checkbox"/>
4	Does the applicant have documented processes for the supervision and monitoring of its representatives to ensure they comply with the Act?	<input type="checkbox"/>	<input type="checkbox"/>
5	Does the applicant use a documented process to ensure all representatives are trained, competent and will provide financial services on its behalf efficiently, honestly and fairly?	<input type="checkbox"/>	<input type="checkbox"/>
6	Does the applicant have professional indemnity or fidelity insurance cover?	<input type="checkbox"/>	<input type="checkbox"/>
7	Has the applicant established compliance and reporting arrangements for its entity activities?	<input type="checkbox"/>	<input type="checkbox"/>
8	Will any substantial activities of the entity be outsourced?	<input type="checkbox"/>	<input type="checkbox"/>
9	Does the applicant have a process in place to ensure that providers selected for any outsourced functions are suitable?	<input type="checkbox"/>	<input type="checkbox"/>
10	Is the outsourced entity a registered and regulated entity?	<input type="checkbox"/>	<input type="checkbox"/>
11	To whom is the applicant planning to outsource activities of its business? <ul style="list-style-type: none"> ● Independent party; ● Related party; or ● Both the above. 	<input type="checkbox"/>	<input type="checkbox"/>

12	What is the name(s) of the entity(ies) to whom the applicant intends outsourcing some of your business activities? _____ _____ _____		
13	What function(s) will be outsourced? _____ _____ _____		
DOES THE APPLICANT HAVE INTERNAL CONTROL STRUCTURES AND, PROCEDURES IN PLACE WHICH INCLUDE THE FOLLOWING:			
14	Segregation of duties, roles and responsibilities where such segregation is appropriate from an operational risk mitigation perspective?	<input type="checkbox"/>	<input type="checkbox"/>
15	Access rights and data security on electronic data, where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
16	Physical security of the providers' assets and records, where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
17	Documentation relating to business processes, policies and controls, and technical requirements?	<input type="checkbox"/>	<input type="checkbox"/>
18	Systems application testing, where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
19	Disaster recovery and back-up procedures on electronic data where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
20	Training for all staff regarding the requirements of the Act?	<input type="checkbox"/>	<input type="checkbox"/>
21	A business continuity plan?	<input type="checkbox"/>	<input type="checkbox"/>

SECTION 2: BUSINESS PLAN

The business plan of the applicant, that has been approved by the board of directors must at least deal with the following matters:

- (a) Provide an overview of the entity's business operations (company profile, clientele and post-trade offering, Investment Platform, Future Growth, etc.), Corporate Governance Framework, Risk Management Framework, Internal Control Framework, Business Continuity Plan, Systems for Portfolio Management, Agreements with Service Providers (internal and external), Information Technology Systems, Marketing Plan, Human Resources Plan, etc.;
- (b) An explanation of the management structure of the applicant including the names of the individuals responsible for the major functional areas and the number of personnel employed or to be employed in each functional area in the applicant;
- (c) The planned development of the information technology systems and infrastructure of the applicant and arrangements for their supply, management, maintenance, upgrading and security including details pertaining to the method or facility by means of which the business will be carried on;
- (d) The planned approach to qualifying, quantifying and managing risk within the applicant;
- (e) Security procedures to ensure the integrity of the systems for recording transactions and the maintenance of records, the capacity of these systems in relation to the budgeted number of transactions and the back-up resources available in the event of a systems failure;
- (f) A report by the chairperson of the board of directors confirming that the applicant has adequate systems, procedures and policies in place to protect the information, data, records and documents relating to client accounts and the affairs clients against any unauthorized access, alteration, destruction or dissemination; and
- (g) The arrangements in place for the effective and efficient monitoring of compliance with the Financial Intelligence Act, 2012 (Act No. 13 of 2012) regarding the Know Your Client (KYC) matter.

PART 4

COMPLIANCE WITH ANTI MONEY LAUNDERING (AML) LEGISLATION
--

COMPLIANCE WITH THE FINANCIAL INTELLIGENCE ACT, 2012 (ACT NO. 13 OF 2012), AND OTHER ANTI-MONEY LAUNDERING (AML) LEGISLATION			
		YES	NO
1	Does the applicant have written internal rules in place as required by the Financial Intelligence Act, 2012 (Act No. 13 of 2012)?	<input type="checkbox"/>	<input type="checkbox"/>
2	Does the applicant have processes in place to ensure that employees receive training in respect of and are aware of their obligation to report suspicious transactions?	<input type="checkbox"/>	<input type="checkbox"/>
3	Does the applicant have anti-money laundering (AML) control policies, procedures and systems in place?	<input type="checkbox"/>	<input type="checkbox"/>

4	Does the applicant have processes to incorporate any additional requirements as may be required under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or any other anti-money laundering (AML) legislation?	<input type="checkbox"/>	<input type="checkbox"/>
5	Does the applicant have process in place to train staff in relation to anti-money laundering (AML) legislation?	<input type="checkbox"/>	<input type="checkbox"/>
6	Are the applicant's terms and conditions of business separate from its mandate and/or application form?	<input type="checkbox"/>	<input type="checkbox"/>
7	Does the applicant have processes in place to ensure compliance with its identification, verification, record keeping and reporting obligations under the Financial Intelligence Act, 2012 (Act No. 13 of 2012)?	<input type="checkbox"/>	<input type="checkbox"/>
8	Customer Acceptance	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or process by which customers are initially accepted?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures for customer initial acceptance are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
9	Customer identification and verification of information	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have Customer Identification and verification procedures or processes (internal rules concerning ascertainment and verification of identities)?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant conduct and/or maintain business relations with anonymous clients or clients with fictitious, false or incorrect names? If yes, please describe such relationships?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures or processes for Customer Identification and verification are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
10	Risk Clients	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have risk management and monitoring procedures or processes by which clients or beneficial owners of clients (whose activities may pose a risk of money laundering, financing of terrorism or both) are identified, assessed and mitigated?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures or processes for the identification, assessment and mitigation of the risk posed by clients or beneficial owners of clients whose activities may pose a risk of money laundering, financing of terrorism or both?	<input type="checkbox"/>	<input type="checkbox"/>
11	Record Keeping	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which records are kept/stored as required by sections 26 to 29 and regulation 15?	<input type="checkbox"/>	<input type="checkbox"/>

	Does the applicant have control(s) by which management will ensure that the procedures or processes for record keeping are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
12	Reporting of Suspicious Transactions and Activities	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which suspicious transactions and electronic transfers of money to and from Namibia are detected analysed and reported to the Financial Intelligence Centre (these procedures or processes must take into account issues of Confidentiality, tipping off)?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures or processes for the reporting of suspicious transactions are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
13	Staff Training	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which staff is trained on AML Compliance and Money Laundering risks?	<input type="checkbox"/>	<input type="checkbox"/>
	Is the training program implemented at all branches and subsidiaries?	<input type="checkbox"/>	<input type="checkbox"/>
14	Anti-Money Laundering Compliance officer	<input type="checkbox"/>	<input type="checkbox"/>
	Who has the applicant appointed as its Anti-Money Laundering Compliance Officer? Or does its structure make provision for the appointment of an Anti-Money Laundering Compliance Officer?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the responsibilities and level of authority of the Anti-Money Laundering Compliance Officer?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have controls by which management will ensure that the Anti-Money Laundering Compliance Officer is appointed and has the required level of authority and responsibilities?	<input type="checkbox"/>	<input type="checkbox"/>
15	Independent Audit Function	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which the measures taken by the institution to comply with the Financial Intelligence Act, 2012 (Act No. 13 Of 2012) are evaluated and their effectiveness tested?	<input type="checkbox"/>	<input type="checkbox"/>
16	On-going and enhanced due diligence	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have on-going due diligence procedures or processes by which management intends to maintaining adequate current and up-to-date information and records relating to: <ul style="list-style-type: none"> a. the client and beneficial owner; b. monitor of transactions carried out by the client; and c. ensuring that the obligations relating to high risk clients are fulfilled? 	<input type="checkbox"/>	<input type="checkbox"/>
17	United Nations (UN) List	<input type="checkbox"/>	<input type="checkbox"/>

	Does the applicant screen customers and transactions against lists of persons, entities or countries issued by government/competent authorities?	<input type="checkbox"/>	<input type="checkbox"/>
18	Any other procedures, processes and/or controls by which management intends to comply with the provisions of the Financial Intelligence Act, 2012 (Act No. 13 of 2012) and/or mitigate the assessed potential money laundering risk?	<input type="checkbox"/>	<input type="checkbox"/>

<p>PART 5</p> <p>ONGOING OBLIGATIONS</p>
--

The applicant is obliged to comply with ongoing obligations as enumerated below:

	Comply with the Registrar's registration requirements;
	Complete and submit statutory and levy returns, in a manner determined by the Registrar, on or before the given due date;
	Submit a full composition of investments under management with the quarterly returns;
	Submit a copy of the audited annual financial statements within three (3) months from the date of the financial year-end;
	Submit a compliance report;
	Pay levies (basic and additional) when due and payable;
	Notify the Registrar of any change relating to: name, registered or business address, shareholders, directors, or any requirements in terms of which the applicant was approved;
	Generally, comply with any regulations that the Minister may issue by notice or with any requirements / conditions that the Registrar may issue from time to time; and
	Compliance with the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and other anti-money laundering legislation.

DECLARATION BY APPLICANT

I, _____ (full names), in my capacity as _____
of the applicant referred to herein, hereby declare under oath/affirm as follows:

- all the information provided in this application (including all attachments) is complete, true and correct;
- I read and understand the provisions in the conditions and hereby declare/affirm that the applicant will comply with such provisions and any other provisions as may be determined by the Registrar; and
- I understand that if any information in this application changes before this application is approved, we must notify Registrar in writing immediately of the changes.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath/affirmation. I consider the prescribed oath/affirmation to be binding on my conscience.

SIGNATURE OF DEPONENT

I hereby declare that the deponent has sworn/affirmed to and signed this statement in my presence at _____ on the ____ day of _____ 20 _____, and he/she declared/affirmed as follows: that the facts herein contained fall within his/her personal knowledge and that he/she understands the contents hereof; that he/she has no objection to taking the oath/affirmation; and that he/she regards the oath/affirmation as binding on his/her conscience.

SIGNATURE OF COMMISSIONER OF OATHS

FULL NAMES: _____

CAPACITY: _____

ADDRESS: _____

PART 6

**KEY RESPONSIBLE PERSON'S FIT AND PROPER (FAP)
REQUIREMENTS QUESTIONNAIRE**

<Provide details of each key responsible person, using a separate sheet as attachment where applicable>

Full names of key responsible person: _____

SECTION 1: HONESTY AND INTEGRITY QUESTIONNAIRE

If the answer to any of the questions is yes, provide full details on a separate page and attach certified documents to the form:

		YES	NO
1	Has an adverse finding been made against you within a period of ten years preceding the date of application in any civil or criminal proceedings by a court of law (whether in Namibia or elsewhere), in which you were found to have acted fraudulently, dishonestly, unprofessionally, dishonorably or in breach of a fiduciary duty?	<input type="checkbox"/>	<input type="checkbox"/>

2	Have you within a period of ten years preceding the date of application been found guilty by any professional, financial services industry or regulatory body (whether in Namibia or elsewhere), of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
3	Have you within a period of ten years preceding the date of application been denied membership of any body referred to in question 2 above on account of an act of dishonesty negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
4	Have you within a period of ten years preceding the date of application been found guilty by any regulatory or supervisory body (whether in Namibia or elsewhere), or has an authorization to carry on business been refused, suspended or withdrawn by any such body on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
5	Have you at any time prior to the date of application been disqualified or prohibited by any court of law (whether in Namibia or elsewhere) from taking part in the management of any corporate entity or other statutorily created, recognized or regulated body, irrespective whether such disqualification has since been lifted or not?	<input type="checkbox"/>	<input type="checkbox"/>
6	Have you been the subject of any investigation or disciplinary proceedings or has administrative action been taken or administrative penalties been imposed by any regulatory authority, professional or government body or agency, an exchange or self-regulatory organization (whether in Namibia, or elsewhere)?	<input type="checkbox"/>	<input type="checkbox"/>
7	Have you ever been refused authorization to carry on business by any regulatory body (whether in Namibia or elsewhere), or has such authorization ever been suspended or revoked by any such body, because of negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
8	Are you subject to an order of a competent court holding you to be mentally unfit or disordered?	<input type="checkbox"/>	<input type="checkbox"/>
9	Have you within a period of ten years preceding the date of application been removed from office or left office on account of misconduct relating to fraud, theft or the misappropriation of money, whether in Namibia or elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>
10	Have you within a period of ten years preceding the date of application received a grant of amnesty or free pardon for any offence?	<input type="checkbox"/>	<input type="checkbox"/>
11	Has your estate ever been sequestrated ?	<input type="checkbox"/>	<input type="checkbox"/>
12	Have you ever been convicted of an offence or found to be liable under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or the Prevention of Organized Crime Act, 2004 (Act No. 29 of 2004) and/or the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No 4 of 2014) and/or any other similar Acts describing similar offences and/or liability in any country?	<input type="checkbox"/>	<input type="checkbox"/>
13	Have you within a period of five years preceding the date of application been adversely listed on a Credit Bureau (whether in Namibia or elsewhere)?	<input type="checkbox"/>	<input type="checkbox"/>

14	Have you previously been appointed as a Principal Officer or Director in the financial services industry? If yes, provide more information, i.e. duration, which company, etc.	<input type="checkbox"/>	<input type="checkbox"/>
15	Are you involved in other corporate entities as a Director, Shareholder, Member, Trustee, etc.? If yes, provide more information, i.e. duration, with company, etc.	<input type="checkbox"/>	<input type="checkbox"/>
16	Has any corporate entity in respect of which you are or were a Member, Shareholder, Director, Trustee or officer ever been convicted of an offence or found to be liable under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or the Prevention of Organized Crime Act, 2004 (Act No. 29 of 2004) and/or the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No 4 of 2014) and/or any other similar Acts describing similar offences and/or liability in any country?	<input type="checkbox"/>	<input type="checkbox"/>
17	Do you have any additional information, which should be brought to NAMFISA's attention, which may have an impact on the evaluation by NAMFISA of your good character and integrity?	<input type="checkbox"/>	<input type="checkbox"/>

SECTION 2: COMPETENCE TRAINING / CERTIFICATION (complete table)

Qualification	Institution	Date obtained

SECTION 3: EMPLOYMENT HISTORY AND EXPERIENCE (complete table in full)

Relevant employment history and/or experience in the industry: (To be supported with proof of relevant experience, including but not limited to reference letters from previous employers or clients or certificates of service from previous employers. Enclose detailed Curriculum Vitae (CV) of the key responsible person.)

Position held	Employer	Contact Details	Period

DECLARATION BY THE KEY RESPONSIBLE PERSON

I, _____ (full names) hereby declare under oath / affirm as follows:

The content of this statement is true and correct to the best of my knowledge and belief.

I undertake that, as long as I continue to be _____ (state designation), of the applicant, I will notify the Registrar of any material changes to, or affecting the

completeness or accuracy of, the information supplied to the Registrar in this statement as soon as possible, but in any event no later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath/affirmation. I consider the prescribed oath/affirmation to be binding on my conscience.

SIGNATURE OF DEPONENT

I hereby declare that the deponent has sworn/affirmed to and signed this statement in my presence at _____ on the ____ day of _____ 20 ____ , and he/she declared/affirmed as follows: that the facts herein contained fall within his/her personal knowledge and that he/she understands the contents hereof; that he/she has no objection to taking the oath/affirmation; and that he/she regards the oath/affirmation as binding on his/her conscience.

SIGNATURE OF COMMISSIONER OF OATHS

FULL NAMES: _____

CAPACITY: _____

ADDRESS: _____

PART 7

ADDITIONAL ATTACHMENTS

	YES	NO
Certified copies of the applicant's memorandum of association and articles;	<input type="checkbox"/>	<input type="checkbox"/>
The applicant's proposed depository / exchange rules;	<input type="checkbox"/>	<input type="checkbox"/>
The applicant's business plan approved by the board of directors;	<input type="checkbox"/>	<input type="checkbox"/>
The organizational structure of the applicant and confirmation of its operational systems;	<input type="checkbox"/>	<input type="checkbox"/>
If available, a copy of the applicant's audited annual financial statements as at its latest financial year-end;	<input type="checkbox"/>	<input type="checkbox"/>
Projected income statement, balance sheet and cash flow statement for at least a three-year period;	<input type="checkbox"/>	<input type="checkbox"/>

A schedule illustrating the funding provisions for anticipated supervisory responsibilities over the projected financial period referred to above;	<input type="checkbox"/>	<input type="checkbox"/>
A statement specifying the critical assumptions made in the preparation of budgets and the sources from which the applicant will derive its funding;	<input type="checkbox"/>	<input type="checkbox"/>
Where arrangements have been made for the funding of any temporary shortfall in available cash resources, a statement setting out the extent and terms of such commitment;	<input type="checkbox"/>	<input type="checkbox"/>
Copies of the public notices referred to under section 83(5) of the Act;	<input type="checkbox"/>	<input type="checkbox"/>
Applicant's listing requirements and rules;	<input type="checkbox"/>	<input type="checkbox"/>
Proof of paid-up share capital;	<input type="checkbox"/>	<input type="checkbox"/>
Copy of board resolution to apply for registration;	<input type="checkbox"/>	<input type="checkbox"/>
Certified copy of applicant's Income Tax Registration certificate and, if applicable, the VAT Registration certificate;	<input type="checkbox"/>	<input type="checkbox"/>
Certified copies of each key responsible person's certificate of conduct/police clearance certificate;	<input type="checkbox"/>	<input type="checkbox"/>
Certified copies of each key responsible person's identity document/passport;	<input type="checkbox"/>	<input type="checkbox"/>
Copy of each key responsible person's updated curriculum vitae, certified copies of each key responsible person's educational qualifications and proof of his/her employment history and experience;	<input type="checkbox"/>	<input type="checkbox"/>
Proof, from a banking institution, of a bank account in the name of the applicant;	<input type="checkbox"/>	<input type="checkbox"/>
A certified copy of the appointment letter of the applicant's auditor;	<input type="checkbox"/>	<input type="checkbox"/>
A copy of the applicant's anti-money laundering compliance framework/policy in accordance with the Financial Intelligence Act, 2012 (Act No. 13 of 2012); and	<input type="checkbox"/>	<input type="checkbox"/>
Proof of payment of the required application fee of N\$ 5000,00.	<input type="checkbox"/>	<input type="checkbox"/>

Internal File Information Checklist

	Checklist	Tick if in place	Provide Comments if any
1	Company registration (CM 5)		
2	Certificate of incorporation (CM 1)		
3	Certificate to commence business (CM 46)		
4	Memorandum of Association (CM 2)		
5	Certificate of change of name (CM 9) (if applicable)		
6	Articles of Association (CM 44)		
7	Details of the banking institution and bank account		

8	Details of the Nominee Company (if applicable)		
9	Income Tax Certificate and VAT Certificate, if any		
10	Certificate of Conduct (Police) for all KP		
11	Date of financial year-end		
12	Notice of registered office and postal address (CM 22)		
13	Telephone, mobile number, e-mail, website		
14	Details of all directors		
14.1	Certificate of directors (CM 29)		
14.2	Certified copies of Qualifications		
14.3	Curriculum Vitae(s)		
14.4	Honesty and integrity form(s)		
15	Details of Chief Executive Officer		
15.1	Qualifications		
15.2	Curriculum vitae		
15.3	Honesty and integrity form		
16	Details of Principal Officer		
16.1	Qualifications		
16.2	Curriculum vitae		
16.3	Honesty and integrity form		
17	Certificate of shareholders		
17.1	Honesty and integrity form(s)		
17.2	Qualifications and CVs		
18	Paid-up share capital - N\$		
19	Non-refundable application fee of N\$5 000		
20	Consent to act as Auditor CM31		
21	Board resolution of authorisation to apply		
22	Depository Rules / Exchange Rules		
23	Organisational Structure		
24	Business Plan		
25	Listing Requirements and Rules		

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****FORM OF REGISTRATION CERTIFICATE FOR CENTRAL SECURITIES
DEPOSITORY, EXCHANGE, INVESTMENT MANAGER, LINKED INVESTMENT
SERVICE PROVIDER, SECURITIES CLEARING HOUSE, SECURITIES RATING
AGENCY, SECURITIES ADVISOR OR SECURITIES DEALER****Standard No. FM.S.3.9**

*issued by NAMFISA under section 410(2)(b), read with section 85(3), of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard,
 - (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following as defined in section as defined in section 78(1) of the Act –
 - (a) central securities depository;
 - (b) exchange;
 - (c) investment manager;
 - (d) linked investment service provider;
 - (e) securities advisor;
 - (f) securities clearing house;
 - (g) securities dealer; and
 - (h) securities rating agency.

Applicability

2. This Standard applies to a registered central securities depository, exchange, investment manager, linked investment service provider, securities clearing house, securities rating agency, securities advisor or securities dealer (hereinafter referred to as “applicants”) applying for registration granted pursuant to section 85 of the Act.

Form of certificate of registration

3. The certificate of registration to be issued to a central securities depository, an exchange, an investment manager, a linked investment service provider, securities clearing house, a securities rating agency, a securities advisor or a securities dealer, must take the form of the Annexure attached to this Standard.

“ANNEXURE”**Registration No****CERTIFICATE OF REGISTRATION****Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021)****REGISTRATION AS (insert the ...)****This is to certify that**

ABC of [principal address] and operates in [insert places]
has been duly registered in terms of section 85 of the Financial Institutions and Markets Act, 2021
(Act No. 2 of 2021) and is authorised to [insert function].

Chief Executive Officer

Date of Registration

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****FORM OF REGISTRATION CERTIFICATE FOR A MANAGER OF
A COLLECTIVE INVESTMENT SCHEME****Standard No. CIS S. 4.15**

*issued by NAMFISA under section 410(2)(b), read with section 176(3), of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following as defined in section 168 of the Act:

- (a) collective investment scheme; and
- (b) manager.

Applicability

2. This Standard applies to a manager of a collective investment scheme registered pursuant to section 176.

Form of certificate of registration

3. The certificate of registration to be issued pursuant to section 176, must take the form of the Annexure attached to this Standard.

“ANNEXURE”**Registration No****CERTIFICATE OF REGISTRATION****Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021)****REGISTRATION AS A MANAGER OF A COLLECTIVE INVESTMENT SCHEME****This is to certify that**

ABC of [principal address] and operates in [insert places]
has been duly registered in terms of section 176 of the Financial Institutions and Markets Act, 2021
(Act No. 2 of 2021) and is authorised to manage a collective investment scheme.

Chief Executive Officer

Date of Registration

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION FOR APPROVAL AS A NOMINEE COMPANY****Standard No. CIS. S4. 21**

issued by NAMFISA under sections 410(2)(c) and 410(5)(e), read with 184(1), (2) and (3), of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act; and
 - (b) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following –
- (a) as defined in section 1 of the Act –
 - (i) auditor;
 - (ii) Companies Act;
 - (iii) financial intermediary;
 - (iv) NAMFISA; and
 - (v) officer
 - (b) as defined in section 168 of the Act –
 - (i) authorised representative; and
 - (ii) nominee company;

Applicability

2. This Standard applies to all public companies applying for approval as a nominee company (hereinafter referred to as “applicant”).

Application for approval as a nominee company

3. An application for approval as a nominee company must be made to NAMFISA in accordance with clause 4.

Particulars to be furnished upon application

4. For the purposes of section 184 of the Act, an application for approval as a nominee company must –
- (a) be in writing and provide the particulars as specified in Schedule 1, Application Form for approval as a nominee company;

- (b) be signed by a person duly authorised to represent the applicant³;
- (c) be accompanied by provide proof of payment of the prescribed application fee.

5. The applicant must disclose all information as required in the application form, supported by the necessary enclosed documents, and all parts must be duly completed.

6. (1) An application, incomplete in all respects and not conforming to the instructions specified, may be rejected on the basis of being non-compliant with this Standard.

(2) In instances where the application is deemed incomplete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within seven working days, failing which the application shall be rejected.

7. Nothing shall prevent NAMFISA from seeking further or additional information or documents as may be reasonably necessary for processing of the application for approval.

8. The applicant or its duly authorised representative may, if so required, be called to appear before NAMFISA for a personal representation in connection with the application.

Independence requirements

9. The applicant's appointed directors and officers must comply with Standard GEN.S.10-8 - The independence of directors, members of a board, trustees, custodians, auditors and valuers and of any other person required to be independent under the Act or Standard.

Submission

10. (1) An application for approval as a nominee company must be submitted to NAMFISA electronically on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, the applicant must submit specified documentation manually to NAMFISA.

Supporting Schedules

11. The following supporting Schedule is attached to and form part of this Standard:

Schedule 1 - Application Form

¹Applicant to attach the original copy of letter or document of authorisation.

SCHEDULE 1**APPLICATION FORM****APPLICATION FOR REGISTRATION AS A NOMINEE COMPANY**

An application for approval as a nominee company, in terms of section 184 of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), must be made by a company and comply with the requirements and be accompanied by the information and documentation set out herein:

PART 1**COMPANY INFORMATION****SECTION 1: GENERAL**

- 1.1 Full registered name: _____
- 1.2 Previously registered name(s), if any: _____
- 1.3 Trading name(s): _____
- 1.4 Company registration No.: _____
- 1.5 Country of registration: _____
- 1.6 Income Tax registration No. and VAT registration No., if applicable:

- 1.7 Financial year-end of the company: _____
- 1.8 Registered address of the company: _____
- 1.9 Principal office address: _____

- 1.10 Postal address: _____
- 1.11 Telephone No: _____
- 1.12 Website, if any: _____
- 1.13 E-mail address: _____
- 1.14 Is the company subject to regulation in a foreign country or financial services intermediary?

- 1.15 If yes, which jurisdiction? _____
- 1.16 Name of foreign regulator(s)? _____

SECTION 2: FINANCIAL RESOURCES

We hereby confirm that the applicant has, at minimum, paid-up share capital adequate for employment in the business and will maintain liquid resources that cover 13 weeks of annual expenditure at all times.

	Paid-up share capital
Paid-up share capital	N\$

SECTION 3: AUDITOR

3.1 Full name of appointed auditor: _____

3.2 Company Registration No.: _____

3.3 Auditor's registration number with PAAB: _____

3.4 Tax Reference No.: _____

3.5 Contact person: _____

3.6 Postal address: _____

3.7 Physical address: _____

3.8 Telephone No.: _____

3.9 Email address: _____

3.10 Website, if any: _____

SECTION 4: DIRECTORS

<Provide details of each director, using a separate sheet as attachment where applicable>

4.1 Full names of director: _____

4.2 Identification/Passport No.: _____

4.3 Nationality: _____

4.4 Postal address: _____

4.5 Telephone No.: _____

4.6 Mobile No.: _____

4.7 Email address: _____

SECTION 5: SHAREHOLDERS OR OTHER OWNER WHO CONTROLS THE APPLICANT

<Attach the full shareholder organigram.

Provide details of each shareholder or other owner who controls the applicant, using a separate sheet as attachment where applicable; if it is a company, provide contact person's details>

5.1 Full name/ registered name of shareholder: _____

5.2 Previous surname(s) / previously registered name(s): _____

5.3 Identification/Passport/Company registration No.: _____

5.4 Date of birth/ Date of incorporation: _____

5.5 Nationality/Country of incorporation: _____

5.6 Postal address: _____

5.7 Telephone No.: _____

5.8 Mobile No.: _____

5.9 Email address of shareholder or contact person: _____

5.10 Shareholding percentage: _____

If more than one shareholder, please complete and attach share certificate and indicate % held by each:

Name	Individual	Company	Partnership	Joint Venture	Close Corporation	Other	% held by each

SECTION 6: HOLDING COMPANY OF THE APPLICANT (IF APPLICABLE)

6.1 Full registered name: _____

6.2 Previously registered name(s): _____

6.3 Company registration No.: _____

6.4 Date of incorporation: _____

6.5 Country of incorporation: _____

6.6 Postal address: _____

6.7 Registered address: _____

6.8 Telephone No.: _____

6.9 Email address of shareholder or contact person: _____

6.10 Shareholders (indicate with X): _____

If more than one shareholder, please complete and attach share certificate and indicate % held by each:

Name	Individual	Company	Partnership	Joint Venture	Close Corporation	Other	% held by each

SECTION 7: CHIEF EXECUTIVE OFFICER

7.1 Full names: _____

7.2 Identification/Passport No.: _____

7.3 Nationality: _____

7.4 Gender: _____

7.5 Postal address: _____

7.6 Telephone No.: _____

7.7 Mobile No.: _____

7.8 Email address: _____

SECTION 8: APPOINTED OFFICER

PERSONAL DETAILS

8.1 Full names: _____

8.2 Identification/Passport No.: _____

8.3 Nationality: _____

8.4 Physical address: _____

8.5 Postal address: _____

8.6 Telephone No.: _____

8.7 Mobile No.: _____

8.8 Email address: _____

EXPERIENCE AND EMPLOYMENT HISTORY (complete table)

Relevant employment history and experience in the industry: (To be supported with proof of relevant experience, including but not limited to reference letters from previous employers or clients or certificates of service from previous employers. Enclose detailed Curriculum Vitae.)

Position held	Employer	Contact Details	Period

EDUCATIONAL BACKGROUND (complete table)

Qualification	Institution	Contact Details	Date obtained

ADDITIONAL TRAINING OR CERTIFICATION (complete table)

Training / certification course	Institution	Contact Details	Date obtained

SECTION 9: BANK DETAILS (operational account)

<Proof of bank account to be attached>

9.1 Name of bank: _____

9.2 Branch name: _____

9.3 Account No.: _____

9.4 Branch code: _____

PART 2

APPLICANT FIT AND PROPER (FAP) REQUIREMENTS QUESTIONNAIRE

SECTION 1: HONESTY AND INTEGRITY

If the answer to any of the questions is yes, provide full details on a separate page and attach certified documents to the form:

		YES	NO
1	Has an adverse finding been made against the applicant within a period of ten years preceding the date of application in any civil or criminal proceedings by a court of law (whether in Namibia or elsewhere), in which the company has been found to have acted fraudulently, dishonestly, unprofessionally, dishonourably or in breach of a fiduciary duty?	<input type="checkbox"/>	<input type="checkbox"/>
2	Has the applicant within a period of ten years preceding the date of application, been found guilty by any professional, financial services industry or regulatory body (whether in Namibia or elsewhere), of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
3	Has the applicant within a period of ten years preceding the date of application, been denied membership of anybody referred to in question 2 above on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
4	Has the applicant within a period of ten years preceding the date of application, been found guilty by any regulatory or supervisory body (whether in Namibia or elsewhere), or has an authorisation to carry on business been refused, suspended or withdrawn by any such body on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
5	Has the applicant at any time prior to the date of application been disqualified or prohibited by any court of law (whether in Namibia or elsewhere) from taking part in the management of any other corporate entity or other statutorily created, recognised or regulated body, irrespective whether such disqualification has since been lifted or not?	<input type="checkbox"/>	<input type="checkbox"/>
6	Has the applicant been the subject of any investigation or disciplinary proceedings or has administrative action been taken or administrative penalties been imposed by any regulatory authority, professional or government body or agency, an exchange or self-regulatory organisation (whether in Namibia or elsewhere)?	<input type="checkbox"/>	<input type="checkbox"/>
7	Has the applicant ever been refused authorisation to carry on business by any regulatory body (whether in Namibia or elsewhere), or has such authorisation ever been suspended or revoked by any such body, because of negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
8	Has the applicant ever been placed under judicial management, insolvency, liquidation or any other processes of a similar nature?	<input type="checkbox"/>	<input type="checkbox"/>
9	Has the applicant ever been convicted of an offence or found to be liable under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or the Prevention of Organized Crime Act, 2004 (Act No. 29 of 2004), and/or the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No. 4 of 2014) and/or any other similar Acts describing similar offences and/or liability in any country?	<input type="checkbox"/>	<input type="checkbox"/>

10	Is the applicant in bad repute with any business or financial community or any market?	<input type="checkbox"/>	<input type="checkbox"/>
11	Does the applicant have any additional information, which should be brought to the Registrar's attention, which may have an impact on the evaluation by the Registrar of the applicant's conduct ?	<input type="checkbox"/>	<input type="checkbox"/>

PART 3

OPERATIONAL ABILITY OF APPLICANT

SECTION 1: QUESTIONNAIRE

		YES	NO
1	Does the applicant's compliance arrangements specify how often compliance with procedures will be monitored and reported?	<input type="checkbox"/>	<input type="checkbox"/>
2	Does the applicant use a documented process to maintain the adequacy of its compliance and monitor arrangements?	<input type="checkbox"/>	<input type="checkbox"/>
3	Does the applicant document processes to ensure records are kept for training programs attended, including continued education training, for its key individuals and/or representatives?	<input type="checkbox"/>	<input type="checkbox"/>
4	Does the applicant have documented processes for the supervision and monitoring of its representatives to ensure they comply with the Act?	<input type="checkbox"/>	<input type="checkbox"/>
5	Does the applicant use a documented process to ensure all representatives are trained, competent and will provide financial services on its behalf efficiently, honestly and fairly?	<input type="checkbox"/>	<input type="checkbox"/>
6	Does the applicant have professional indemnity or fidelity insurance cover?	<input type="checkbox"/>	<input type="checkbox"/>
7	Has the applicant established compliance and reporting arrangements for its entity activities?	<input type="checkbox"/>	<input type="checkbox"/>
8	Will any substantial activities of the entity be outsourced?	<input type="checkbox"/>	<input type="checkbox"/>
9	Does the applicant have a process in place to ensure that providers selected for any outsourced functions are suitable?	<input type="checkbox"/>	<input type="checkbox"/>
10	Is the outsourced entity a registered and regulated entity?	<input type="checkbox"/>	<input type="checkbox"/>
11	To whom is the applicant planning to outsource activities of its business? <ul style="list-style-type: none"> ● Independent party; ● Related party; or ● Both the above. 	<input type="checkbox"/>	<input type="checkbox"/>
12	What is the name(s) of the entity(ies) to whom the applicant intends outsourcing some of your business activities? _____ _____		

13	What function(s) will be outsourced? _____ _____ _____		
DOES THE APPLICANT HAVE INTERNAL CONTROL STRUCTURES AND, PROCEDURES IN PLACE WHICH INCLUDE THE FOLLOWING:			
14	Segregation of duties, roles and responsibilities where such segregation is appropriate from an operational risk mitigation perspective?	<input type="checkbox"/>	<input type="checkbox"/>
15	Access rights and data security on electronic data, where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
16	Physical security of the providers' assets and records, where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
17	Documentation relating to business processes, policies and controls, and technical requirements?	<input type="checkbox"/>	<input type="checkbox"/>
18	Systems application testing, where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
19	Disaster recovery and back-up procedures on electronic data where applicable?	<input type="checkbox"/>	<input type="checkbox"/>
20	Training for all staff regarding the requirements of the Act?	<input type="checkbox"/>	<input type="checkbox"/>
21	A business continuity plan?	<input type="checkbox"/>	<input type="checkbox"/>

SECTION 2: BUSINESS PLAN

The business plan of the applicant, that has been approved by the board of directors must at least deal with the following matters:

- (a) Provide an overview of the entity's business operations (company profile, clientele and post-trade offering, Investment Platform, Future Growth, etc.), Corporate Governance Framework, Risk Management Framework, Internal Control Framework, Business Continuity Plan, Systems for Portfolio Management, Agreements with Service Providers (internal and external), Information Technology Systems, Marketing Plan, Human Resources Plan, etc.;
- (b) An explanation of the management structure of the applicant including the names of the individuals responsible for the major functional areas and the number of personnel employed or to be employed in each functional area in the applicant;
- (c) The planned development of the information technology systems and infrastructure of the applicant and arrangements for their supply, management, maintenance, upgrading and security including details pertaining to the method or facility by means of which the business will be carried on;
- (d) The planned approach to qualifying, quantifying and managing risk within the applicant;
- (e) Security procedures to ensure the integrity of the systems for recording transactions and the maintenance of records, the capacity of these systems in relation to the budgeted number of transactions and the back-up resources available in the event of a systems failure;

- (f) A report by the chairperson of the board of directors confirming that the applicant has adequate systems, procedures and policies in place to protect the information, data, records and documents relating to client accounts and the affairs clients against any unauthorized access, alteration, destruction or dissemination; and
- (g) The arrangements in place for the effective and efficient monitoring of compliance with the Financial Intelligence Act, 2012 (Act No. 13 of 2012) regarding the Know Your Client (KYC) matter.

<p>PART 4</p> <p>COMPLIANCE WITH ANTI MONEY LAUNDERING (AML) LEGISLATION</p>
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COMPLIANCE WITH THE FINANCIAL INTELLIGENCE ACT, 2012 (ACT NO. 13 OF 2012), AND OTHER ANTI-MONEY LAUNDERING (AML) LEGISLATION			
		YES	NO
1	Does the applicant have written internal rules in place as required by the Financial Intelligence Act, 2012 (Act No. 13 of 2012)?	<input type="checkbox"/>	<input type="checkbox"/>
2	Does the applicant have processes in place to ensure that employees receive training in respect of and are aware of their obligation to report suspicious transactions?	<input type="checkbox"/>	<input type="checkbox"/>
3	Does the applicant have anti-money laundering (AML) control policies, procedures and systems in place?	<input type="checkbox"/>	<input type="checkbox"/>
4	Does the applicant have processes to incorporate any additional requirements as may be required under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or any other anti-money laundering (AML) legislation?	<input type="checkbox"/>	<input type="checkbox"/>
5	Does the applicant have process in place to train staff in relation to anti-money laundering (AML) legislation?	<input type="checkbox"/>	<input type="checkbox"/>
6	Are the applicant's terms and conditions of business separate from its mandate and/or application form?	<input type="checkbox"/>	<input type="checkbox"/>
7	Does the applicant have processes in place to ensure compliance with its identification, verification, record keeping and reporting obligations under the Financial Intelligence Act, 2012 (Act No. 13 of 2012)?	<input type="checkbox"/>	<input type="checkbox"/>
8	Customer Acceptance	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or process by which customers are initially accepted?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures for customer initial acceptance are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
9	Customer identification and verification of information	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have Customer Identification and verification procedures or processes (internal rules concerning ascertainment and verification of identities)?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant conduct and/or maintain business relations with anonymous clients or clients with fictitious, false or incorrect names? If yes, please describe such relationships?	<input type="checkbox"/>	<input type="checkbox"/>

	Does the applicant have control(s) by which management will ensure that the procedures or processes for Customer Identification and verification are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
10	Risk Clients	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have risk management and monitoring procedures or processes by which clients or beneficial owners of clients (whose activities may pose a risk of money laundering, financing of terrorism or both) are identified, assessed and mitigated?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures or processes for the identification, assessment and mitigation of the risk posed by clients or beneficial owners of clients whose activities may pose a risk of money laundering, financing of terrorism or both?	<input type="checkbox"/>	<input type="checkbox"/>
11	Record Keeping	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which records are kept/stored as required by sections 26 to 29 and regulation 15?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures or processes for record keeping are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
12	Reporting of Suspicious Transactions and Activities	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which suspicious transactions and electronic transfers of money to and from Namibia are detected analysed and reported to the Financial Intelligence Centre (these procedures or processes must take into account issues of Confidentiality, tipping off)?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have control(s) by which management will ensure that the procedures or processes for the reporting of suspicious transactions are complied with?	<input type="checkbox"/>	<input type="checkbox"/>
13	Staff Training	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have procedures or processes by which staff is trained on AML Compliance and Money Laundering risks?	<input type="checkbox"/>	<input type="checkbox"/>
	Is the training program implemented at all branches and subsidiaries?	<input type="checkbox"/>	<input type="checkbox"/>
14	Anti-Money Laundering Compliance officer	<input type="checkbox"/>	<input type="checkbox"/>
	Who has the applicant appointed as its Anti-Money Laundering Compliance Officer? Or does its structure make provision for the appointment of an Anti-Money Laundering Compliance Officer?	<input type="checkbox"/>	<input type="checkbox"/>
	What are the responsibilities and level of authority of the Anti-Money Laundering Compliance Officer?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have controls by which management will ensure that the Anti-Money Laundering Compliance Officer is appointed and has the required level of authority and responsibilities?	<input type="checkbox"/>	<input type="checkbox"/>
15	Independent Audit Function	<input type="checkbox"/>	<input type="checkbox"/>

	Does the applicant have procedures or processes by which the measures taken by the institution to comply with the Financial Intelligence Act, 2012 (Act No. 13 Of 2012) are evaluated and their effectiveness tested?	<input type="checkbox"/>	<input type="checkbox"/>
16	On-going and enhanced due diligence	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant have on-going due diligence procedures or processes by which management intends to maintaining adequate current and up-to-date information and records relating to: <ul style="list-style-type: none"> a. the client and beneficial owner; b. monitor of transactions carried out by the client; and c. ensuring that the obligations relating to high risk clients are fulfilled? 	<input type="checkbox"/>	<input type="checkbox"/>
17	United Nations (UN) List	<input type="checkbox"/>	<input type="checkbox"/>
	Does the applicant screen customers and transactions against lists of persons, entities or countries issued by government/competent authorities?	<input type="checkbox"/>	<input type="checkbox"/>
18	Any other procedures, processes and/or controls by which management intends to comply with the provisions of the Financial Intelligence Act, 2012 (Act No. 13 of 2012) and/or mitigate the assessed potential money laundering risk?	<input type="checkbox"/>	<input type="checkbox"/>

PART 5

ONGOING OBLIGATIONS

The applicant is obliged to comply with ongoing obligations as enumerated below:

	Comply with the Registrar's registration requirements;
	Complete and submit statutory and levy returns, in a manner determined by the Registrar, on or before the given due date;
	Submit a full composition of investments under management with the quarterly returns;
	Submit a copy of the audited annual financial statements within three (3) months from the date of the financial year-end;
	Submit a compliance report;
	Pay levies (basic and additional) when due and payable;
	Notify the Registrar of any change relating to: name, registered or business address, shareholders, directors, or any requirements in terms of which the applicant was approved;
	Generally, comply with any regulations that the Minister may issue by notice or with any requirements / conditions that the Registrar may issue from time to time; and
	Compliance with the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and other anti-money laundering legislation.

DECLARATION BY APPLICANT

I, _____ (full names), in my capacity as _____
of the applicant referred to herein, hereby declare under oath/affirm as follows:

- all the information provided in this application (including all attachments) is complete, true and correct;
- I read and understand the provisions in the conditions and hereby declare/affirm that the applicant will comply with such provisions and any other provisions as may be determined by the Registrar; and
- I understand that if any information in this application changes before this application is approved, we must notify Registrar in writing immediately of the changes.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath/affirmation. I consider the prescribed oath/affirmation to be binding on my conscience.

SIGNATURE OF DEPONENT

I hereby declare that the deponent has sworn/affirmed to and signed this statement in my presence at _____ on the ____ day of _____ 20____, and he/she declared/affirmed as follows: that the facts herein contained fall within his/her personal knowledge and that he/she understands the contents hereof; that he/she has no objection to taking the oath/affirmation; and that he/she regards the oath/affirmation as binding on his/her conscience.

SIGNATURE OF COMMISSIONER OF OATHS

FULL NAMES: _____

CAPACITY: _____

ADDRESS: _____

PART 6**KEY RESPONSIBLE PERSON'S FIT AND PROPER (FAP)
REQUIREMENTS QUESTIONNAIRE**

<Provide details of each key responsible person, using a separate sheet as attachment where applicable>

Full names of key responsible person: _____

SECTION 1: HONESTY AND INTEGRITY QUESTIONNAIRE

If the answer to any of the questions is yes, provide full details on a separate page and attach certified documents to the form:

		YES	NO
1	Has an adverse finding been made against you within a period of ten years preceding the date of application in any civil or criminal proceedings by a court of law (whether in Namibia or elsewhere), in which you were found to have acted fraudulently, dishonestly, unprofessionally, dishonorably or in breach of a fiduciary duty?	<input type="checkbox"/>	<input type="checkbox"/>
2	Have you within a period of ten years preceding the date of application been found guilty by any professional, financial services industry or regulatory body (whether in Namibia or elsewhere), of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
3	Have you within a period of ten years preceding the date of application been denied membership of any body referred to in question 2 above on account of an act of dishonesty negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
4	Have you within a period of ten years preceding the date of application been found guilty by any regulatory or supervisory body (whether in Namibia or elsewhere), or has an authorization to carry on business been refused, suspended or withdrawn by any such body on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
5	Have you at any time prior to the date of application been disqualified or prohibited by any court of law (whether in Namibia or elsewhere) from taking part in the management of any corporate entity or other statutorily created, recognized or regulated body, irrespective whether such disqualification has since been lifted or not?	<input type="checkbox"/>	<input type="checkbox"/>
6	Have you been the subject of any investigation or disciplinary proceedings or has administrative action been taken or administrative penalties been imposed by any regulatory authority, professional or government body or agency, an exchange or self-regulatory organization (whether in Namibia, or elsewhere)?	<input type="checkbox"/>	<input type="checkbox"/>
7	Have you ever been refused authorization to carry on business by any regulatory body (whether in Namibia or elsewhere), or has such authorization ever been suspended or revoked by any such body, because of negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
8	Are you subject to an order of a competent court holding you to be mentally unfit or disordered?	<input type="checkbox"/>	<input type="checkbox"/>

9	Have you within a period of ten years preceding the date of application been removed from office or left office on account of misconduct relating to fraud, theft or the misappropriation of money, whether in Namibia or elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>
10	Have you within a period of ten years preceding the date of application received a grant of amnesty or free pardon for any offence?	<input type="checkbox"/>	<input type="checkbox"/>
11	Has your estate ever been sequestrated ?	<input type="checkbox"/>	<input type="checkbox"/>
12	Have you ever been convicted of an offence or found to be liable under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or the Prevention of Organized Crime Act, 2004 (Act No. 29 of 2004) and/or the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No 4 of 2014) and/or any other similar Acts describing similar offences and/or liability in any country?	<input type="checkbox"/>	<input type="checkbox"/>
13	Have you within a period of five years preceding the date of application been adversely listed on a Credit Bureau (whether in Namibia or elsewhere)?	<input type="checkbox"/>	<input type="checkbox"/>
14	Have you previously been appointed as a Principal Officer or Director in the financial services industry? If yes, provide more information, i.e. duration, which company, etc.	<input type="checkbox"/>	<input type="checkbox"/>
15	Are you involved in other corporate entities as a Director, Shareholder, Member, Trustee, etc.? If yes, provide more information, i.e. duration, with company, etc.	<input type="checkbox"/>	<input type="checkbox"/>
16	Has any corporate entity in respect of which you are or were a Member, Shareholder, Director, Trustee or officer ever been convicted of an offence or found to be liable under the Financial Intelligence Act, 2012 (Act No. 13 of 2012), and/or the Prevention of Organized Crime Act, 2004 (Act No. 29 of 2004) and/or the Prevention and Combating of Terrorist and Proliferation Activities Act, 2014 (Act No 4 of 2014) and/or any other similar Acts describing similar offences and/or liability in any country?	<input type="checkbox"/>	<input type="checkbox"/>
17	Do you have any additional information, which should be brought to NAMFISA's attention, which may have an impact on the evaluation by NAMFISA of your good character and integrity?	<input type="checkbox"/>	<input type="checkbox"/>

SECTION 2: COMPETENCE TRAINING / CERTIFICATION (complete table)

Qualification	Institution	Contact Details	Date obtained

SECTION 3: EMPLOYMENT HISTORY AND EXPERIENCE (complete table in full)

Relevant employment history and/or experience in the industry: (To be supported with proof of relevant experience, including but not limited to reference letters from previous employers or clients or certificates of service from previous employers. Enclose detailed Curriculum Vitae (CV) of the key responsible person.)

Position held	Employer	Contact Details	Period

DECLARATION BY THE KEY RESPONSIBLE PERSON

I, _____ (full names) hereby declare under oath / affirm as follows:

The content of this statement is true and correct to the best of my knowledge and belief.

I undertake that, as long as I continue to be _____ (state designation), of the applicant, I will notify the Registrar of any material changes to, or affecting the completeness or accuracy of, the information supplied to the Registrar in this statement as soon as possible, but in any event no later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath/affirmation. I consider the prescribed oath/affirmation to be binding on my conscience.

SIGNATURE OF DEPONENT

I hereby declare that the deponent has sworn/affirmed to and signed this statement in my presence at _____ on the _____ day of _____ 20____, and he/she declared/affirmed as follows: that the facts herein contained fall within his/her personal knowledge and that he/she understands the contents hereof; that he/she has no objection to taking the oath/affirmation; and that he/she regards the oath/affirmation as binding on his/her conscience.

SIGNATURE OF COMMISSIONER OF OATHS

FULL NAMES: _____

CAPACITY: _____

ADDRESS: _____

PART 7**ADDITIONAL ATTACHMENTS**

Additional file attachments:	YES	NO
Certified copies of the applicant's memorandum of association and articles;	<input type="checkbox"/>	<input type="checkbox"/>
Copy of applicant's written agreement with a manager;	<input type="checkbox"/>	<input type="checkbox"/>
The applicant's business plan approved by the board of directors;	<input type="checkbox"/>	<input type="checkbox"/>
The organizational structure of the applicant;	<input type="checkbox"/>	<input type="checkbox"/>
If available, a copy of the applicant's audited annual financial statements as at its latest financial year-end;	<input type="checkbox"/>	<input type="checkbox"/>
Projected income statement, balance sheet and cash flow statement for at least a three-year period;	<input type="checkbox"/>	<input type="checkbox"/>
A schedule illustrating the funding provisions for anticipated supervisory responsibilities over the projected financial period referred to above;	<input type="checkbox"/>	<input type="checkbox"/>
A statement specifying the critical assumptions made in the preparation of budgets and the sources from which the applicant will derive its funding;	<input type="checkbox"/>	<input type="checkbox"/>
Where arrangements have been made for the funding of any temporary shortfall in available cash resources, a statement setting out the extent and terms of such commitment;	<input type="checkbox"/>	<input type="checkbox"/>
Certified copy of applicant's Income Tax Registration certificate and, if applicable, the VAT Registration certificate;	<input type="checkbox"/>	<input type="checkbox"/>
Certified copies of each key responsible person's certificate of conduct/police clearance certificate;	<input type="checkbox"/>	<input type="checkbox"/>
Certified copies of each key responsible person's identify document/passport;	<input type="checkbox"/>	<input type="checkbox"/>
Copy of each key responsible person's updated curriculum vitae, certified copies of each key responsible person's educational qualifications and proof of his/her employment history and experience;	<input type="checkbox"/>	<input type="checkbox"/>
Proof, from a banking institution, of a bank account in the name of the applicant;	<input type="checkbox"/>	<input type="checkbox"/>
A certified copy of the appointment letter of the applicant's auditor;	<input type="checkbox"/>	<input type="checkbox"/>
A copy of the applicant's anti-money laundering compliance framework/policy in accordance with the Financial Intelligence Act, 2012 (Act No. 13 of 2012); and	<input type="checkbox"/>	<input type="checkbox"/>
Proof of payment of the required application fee of N\$5,000.00.	<input type="checkbox"/>	<input type="checkbox"/>

Internal File Information Checklist			
	Checklist	Tick if in place	Provide Comments if any
1	Company registration (CM 5)		
2	Certificate of incorporation (CM 1)		
3	Certificate to commence business (CM 46)		
4	Memorandum of Association (CM 2)		
5	Certificate of change of name (CM 9) (if applicable)		
6	Articles of Association (CM 44)		
7	Details of the banking institution and bank account		
8	Income Tax Certificate and VAT Certificate, if any		
9	Certificate of Conduct (Police) for all KP		
10	Date of financial year-end		
11	Notice of registered office and postal address (CM 22)		
12	Telephone, mobile number, e-mail, website		
12.1	Details of all directors - Certificate of directors (CM 29)		
12.2	Certified copies of Qualifications		
12.3	Curriculum Vitae(s)		
12.4	Honesty and integrity form(s)		
13	Details of Chief Executive Officer		
13.1	Qualifications		
13.2	Curriculum vitae		
13.3	Honesty and integrity form		
14	Details of Appointed Officer		
14.1	Qualifications		
14.2	Curriculum vitae		
14.3	Honesty and integrity form		
15	Certificate of shareholders		
15.1	Honesty and integrity form(s)		
15.2	Qualifications and CVs		
16	Paid-up share capital - N\$		
17	Non-refundable application fee of N\$5,000		
18	Consent to act as Auditor CM31		
19	Board resolution of authorisation to apply		
20	Organisational Structure		
21	Business Plan		

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****GOVERNANCE OF RETIREMENT FUNDS****Standard No. RFS.5.26**

*issued by NAMFISA under sections 410(6)(aa) and 265(l) of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard:
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “chairperson” means a trustee elected or designated by trustees as the chairperson of the board of trustees in terms of the rules of the fund;
 - (c) “conflict of interest” means a situation which the board of trustees, principal officer, employees or any other officers, auditor, valuator, fund administrator or any other service providers encounter, while rendering a financial service to the fund or its members if that situation –
 - (i) impairs the objectivity of the trustees, principal officer, employees or any other officers, auditor, valuator, fund administrator or any other service providers in any aspect while serving on the board or rendering a service to the fund or the members of the fund; or
 - (ii) prevents the trustee, principal officer, employee or any other officers, auditor, valuator, fund administrator or any other service providers from serving on the board or rendering a service to the fund or its members in an unbiased and fair manner or from acting in the best interest of the fund or the members of the fund.
 - (d) “independent trustee” means a trustee that meets the requirements of standard GEN.S.10.8 (Independence);
 - (e) “insured fund” means a retirement fund which operates exclusively by means of policies of insurance issued by a person lawfully carrying on insurance business within the meaning of the Act.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including, without limitation, the following:
- (a) “NAMFISA”, as defined in section 1 of the Act;

- (b) as defined in section 249 of the Act -
- (i) board;
 - (ii) defined contribution fund;
 - (iii) employer;
 - (iv) fund;
 - (v) member;
 - (vi) retirement benefits; and
 - (vii) sponsor.

Applicability

2. This standard applies to all funds registered in terms of chapter 5 of the Act.
3. This standard applies only to the extent that the subject matter dealt with in this standard is not dealt with specifically in the Act or regulations made by the Minister or standards issued by NAMFISA.

PART 1

GOVERNANCE BY THE BOARD

Board's ethical leadership responsibility

4. The board must –
- (a) provide effective leadership based on an ethical foundation characterised by the ethical values of responsibility, accountability, fairness and transparency.
 - (b) ensure that the responsibilities of the board are consistent with the overriding objectives of the fund;
 - (c) retain ultimate responsibility for the performance, conduct and governance of the fund, even though certain functions are delegated or outsourced to external service providers and the board may not abdicate from any of its functions and responsibilities;
 - (d) be responsible for developing the fund's ethical standards and such standards must inform all fund practices, procedures, policies and conduct;
 - (e) consider the effect of its decisions on all key stakeholders, the most notable being the members of the fund; and
 - (f) ensure that the fund's ethics performance is assessed, monitored, reported and disclosed in the fund's annual financial statements.

Board composition

5. Subject to the provisions of the Act, every board must consider whether its size, diversity and demographics make it effective and diverse.
6. Diversity of the board includes but is not limited to academic qualifications, technical expertise, relevant industry knowledge, experience, age, race and gender.

7. The board must collectively have the necessary qualification, knowledge and skills to oversee all the functions performed by a fund, and to monitor delegates and service providers to whom such functions have been delegated.
8. Notwithstanding the appointing authority or body, the board:
- (a) owes a primary duty of care to the fund and are not specifically accountable to or required to disclose any information to the appointing authority or body through whom they were appointed or elected as trustees, and
 - (b) must be sensitive in managing the diversity of the board effectively to ensure that any tension, fears, disagreements, influence, affiliations, special interest or any other consideration do not hinder decision-making and should ensure that the above is addressed in the code of conduct of the board.
9. The board must have the relevant minimum qualifications and expertise among them as necessary to provide effective oversight and leadership direction of the fund's business to ensure it is conducted in a sound and prudent manner and for this purpose –
- (a) the board must collectively and individually have and continue to maintain, including through training, the necessary skills, knowledge and understanding of the fund's business to be able to fulfil their roles; and
 - (b) while certain areas of expertise may lie in some, but not all, members, the collective board must have an adequate spread and level of relevant competencies and understanding as appropriate to the fund's business and the fulfilment of the board's duties in accordance with section 265 of the Act.
10. The board must have a reporting structure, which includes the chairperson and such other board members as deemed appropriate.
11. The board must be comprised of persons that are Namibian citizens, permanent residents or foreign persons who are ordinarily resident in Namibia.

Board chairperson

12. The chairperson of the board must –
- (a) proactively and impartially lead the board, without bias in favour of the sponsor, the employer or any service provider;
 - (b) proactively raise issues of concerns, on behalf of the board, with the sponsor, the employer, the administrator or other service providers; and
 - (c) ensure that the performance of the board as a whole, board sub-committees, and principal officer is reviewed and evaluated on a regular basis; and manage the performance of members of the board.

Orientation and training of trustees

13. New trustees must, at the expense of the fund, receive comprehensive training on both the legislative, regulatory and governance principles in order to equip them to effectively carry out their functions as trustees.

14. The board must seek to enhance its knowledge, where relevant, via appropriate training and appropriate training programmes that meet the specific needs of both the fund and the individual trustees, as may be identified during the annual individual performance evaluation so as to enable trustee to make the maximum contribution possible.

15. Trustees must receive regular briefings on matters relevant to the business of the fund, changes in risks and laws applicable to the business of the fund, including accounting standards and policies, and the environment in which it operates.

Independence and conflicts of interest

16. A member of the board, principal officer, employee or any other officers, auditor, valuator, administrator and any other service providers must report to the board any conflict of interest encountered during the performance of their duties.

17. There must be a clear identification and separation of operational and oversight responsibilities in the governance of the fund, and the segregation of duties must reflect the nature and extent of the governance risks faced by the fund;

18. The board must –

- (a) demonstrate their independence in the way they exercise any discretion and are not influenced by inappropriate considerations;
- (b) always consider what is in the best interest of the fund and its beneficiaries;
- (c) ensure that appropriate controls exist, to –
 - (i) promote the independence and impartiality of the board;
 - (ii) ensure the confidentiality of sensitive information pertaining to the fund; and
 - (iii) prevent the improper use of privileged or confidential information.
- (d) ensure that the administrators or any other service provider do not interfere with the management of the fund.

Delegation of authority

19. The board must not abdicate their responsibility over the delegated functions.

20. Sub-committee of the board may be established to exercise a specific oversight responsibility or to carry out, where the rules of the fund permit it, any board-delegated responsibility.

21. The terms of reference of a sub-committee of the board must, as a minimum, cover –

- (a) composition of sub-committee;
- (b) objectives, purpose and functions;
- (c) delegated authorities, including the extent of power to make decisions or recommendations or both;
- (d) tenure; and

- (e) reporting mechanism to the board.

22. Every member of a sub-committee must be suitably skilled and experienced to serve on such sub-committee.

23. Each sub-committee must be required to advise the board on risks relating to the functions to be performed by that sub-committee, and the processes or controls necessary to mitigate that risk.

Filling of interim vacancies on the board

24. The board must fill interim vacancies in the manner prescribed by the rules of the fund within a reasonable time from when the vacancy arose, pursuant to section 263 of the Act.

Tenure of office

25. To ensure independence and reduce the risk of familiarity, no trustee may serve for more than two (2) consecutive terms.

26. To ensure independence and reduce the risk of familiarity in respect of the auditor of the fund, the auditor must be appointed for a fixed period and the auditor may not serve for more than two (2) consecutive terms; and in the case the auditor is a firm of auditors, an audit partner may not be engaged for more than two (2) consecutive terms.

27. To ensure independence and reduce the risk of familiarity in respect of the valuator of the fund, the valuator must be appointed for fixed period and a valuator may not serve for more than two (2) consecutive terms.

Rotation

28. The board must consider occasional rotation of members and of the chairs of sub-committees or tenure limits to serve on a sub-committee, to avoid undue concentration of power and promote fresh perspectives.

Internal audit

29. The board must consider whether the structure and operations of the fund would benefit from the introduction of an internal audit function.

30. Where the board decide to introduce an internal audit function, the board must ensure that-
- (a) there is an effective risk based internal audit function;
 - (b) in the event that the internal audit function is outsourced, the board is ultimately responsible to oversee, manage, inform and take accountability for the effective functioning of the outsourced internal audit function;
 - (c) the board must be ultimately responsible for the appointment, performance assessment and dismissal of the head of internal audit;
 - (d) internal audit must pursue a risk based approach to planning as opposed to a compliance based approach that is limited to evaluation of adherence to procedures; and
 - (e) internal controls must be established not only over financial matters, but also operational, compliance and sustainability matters in order to prevent, eliminate or manage risks faced by the fund.

Performance evaluation of board

- 31.** The board must, at least annually, review own performance to ascertain whether board members collectively and individually remain effective in discharging the respective roles and responsibilities assigned to them and identify opportunities to improve the performance of the board as a whole.
- 32.** The board must implement appropriate measures to address any identified inadequacies, including any training programs for board members.
- 33.** Subject to the Act, the board must ensure that –
- (a) the evaluation of the board, its sub-committee and individual trustees is performed annually against the board's determined roles, functions, duties and performance criteria, as well as those for members of board sub-committees;
 - (b) the past performance as a trustee must be taken into account when trustees are nominated for reappointment or re-election;
 - (c) evaluations must be conducted by the chairperson who must ensure that trustees know that they will be subject to evaluation, that they understand the criteria used for evaluation and that they understand the evaluation procedures that will be followed;
 - (d) the board must appoint an independent trustee, if any, from within its ranks to lead the process of the evaluation of the chairperson's performance and in the event the board has no independent trustee, the evaluation of the chairperson must be led by at least 2 (two) trustees designated by the board; and
 - (e) the chairperson of the board, or a committee appointed by the board, must evaluate the performance of the principal officer at least once a year.

PART 2**GOVERNANCE OF THE OPERATIONS OF THE FUND****Role of the board in setting the fund strategy**

- 34.** The board must be involved in the determination and approval of the long-term and short-term strategies of the fund and monitor implementation therewith by management or the service provider to whom management services have been outsourced, if any.
- 35.** Before approving the strategy, the board must ensure that the strategy is aligned with the Act and any relevant legislation, the purpose or object of the fund, the value drivers of the fund's business and the legitimate interests and expectations of the fund's stakeholders, especially the members or beneficiaries of the fund.
- 36.** The board must identify key performance and risk areas as well as the associated performance, and risk indicators and measures and this would include areas such as finance, ethics, conduct, compliance and sustainability.

Internal controls

- 37.** The board must ensure that there are adequate internal controls in place to ensure that all persons and entities with operational and oversight responsibilities act in accordance with the objectives set out in rules of the fund, the Act and any other applicable law.

- 38.** Internal controls must cover all basic organisational and administrative procedures; depending upon the scale and complexity of the fund, the internal controls must include performance assessment, compensation mechanisms, information systems and processes, risk and compliance management procedures.
- 39.** Appropriate policies guiding the governance and operations must be adopted and implemented by the board.
- 40.** The oversight responsibilities of the board requires that there must be –
- (a) a regular assessment of the performance of the persons and entities involved in the operations of the fund in terms of service level agreements, mandates, and performance contracts;
 - (b) a regular review of services and fees and all costs associated with the operations of the fund in order to ensure that they are appropriate;
 - (c) a regular review of the information processes, operational software systems, and accounting and financial reporting systems involved in the operation of the fund;
 - (d) the monitoring and resolution of actual, potential or perceived conflict of interest amongst those involved in the operation of the fund;
 - (e) the protection of confidential information of the fund; and
 - (f) regular review of compliance with regulatory and statutory requirements of the fund.

Expert advice

- 41.** Where the board lacks sufficient expertise to make fully informed decision and to fulfil its responsibilities, it may seek expert advice.
- 42.** The board must satisfy itself that any expert advice obtained is independently given and where the professional gives expert advice in respect of a service provider or the employer or sponsor to the fund then the board must satisfy itself that such advice is not compromised by the relationship of that professional or his or her firm to that service provider or the employer or sponsor as the case may be.
- 43.** The board must assess and satisfy itself that any expert advice received is of quality and it must verify that all its professional staff and external service providers have adequate qualifications and experience; and the board is not obliged to accept the advice but must consider the appropriateness of such advice.

Risk management

- 44.** Subject to the Act –
- (a) the board may delegate oversight of the fund's risk management function to an appropriate board sub-committee;
 - (b) the board must ensure that the frameworks and processes in place to assist in anticipating these risks have the following characteristics –
 - (i) insight - the ability to identify the cause of the risk, where there are multiple causes or root causes that are not immediately obvious;

- (ii) information - comprehensive information about all aspects of risks and risk sources, especially of financial risks;
- (iii) incentives - the ability to separate risk origination and risk ownership ensuring proper due diligence and accountability;
- (iv) instinct - the ability to avoid following the herd when there are systemic and pervasive risks;
- (v) independence - the ability to view the fund independently from its environment; and
- (vi) interconnectivity - the ability to identify and understand how risks are related, especially when their relatedness might exacerbate the risk.

45. The board must have in place a risk management policy which must be reviewed regularly, but at least annually, and must include –

- (a) the identification of risks facing the fund;
- (b) the assessment of the likelihood of each such risk on the fund;
- (c) the assessment of the impact of each such risk to the fund;
- (d) the process or controls necessary to reduce the impact of key risks;
- (e) the monitoring of the risk process or controls to ensure that they are appropriate; and
- (f) the communication to the members and the stakeholders of the fund's risk management policy, including the identification of the key risks and the processes or controls in place to prevent, eliminate or manage them.

46. The board must ensure that the fund considers and implements appropriate risk responses.

47. The fund must identify and consider different ways that it can respond to the risks identified during the risk assessment process and these responses must be noted in a risk register.

48. The fund must be able to demonstrate that the risk management process provides for the identification and exploitation of opportunities to improve its performance.

49. The risks to be identified must not be limited to those which have a financial consequence, but must include risks which relate to the governance of the fund, and which may jeopardise the governance structure.

50. The fund is not expected to micro-manage the functions delegated to service providers, but those functions must, when delegated, contain sufficient detail to ensure that the service provider understands what is expected by the board and provide for reasonable right of recourse in the event that there is any breach of the delegated functions by the service provider.

51. The board must receive assurance regarding the effectiveness of the risk management process, for outsourced or delegated function.

52. The board must ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.

Fund expenses

53. The board must perform regular review of services, against set performance standards, and fees and all costs associated with the operation of the fund in order to ensure that they are appropriate.

54. The board must ensure that the costs and expenses of the fund are managed efficiently.

Individual investment choice

55. Subject to the Act, where the fund offers its members more than one investment choice-

- (a) the board must ensure that the investment portfolios from which members may make their selection is appropriate for the profile of the fund membership and strategy; and available investment options must be reviewed regularly for appropriateness in relation to the membership profile of the fund and strategy;
- (b) the board must ensure that the Act, the rules of the fund and any applicable legislation is adhered to in respect of transfers of members benefits and the board must exercise special care in relation to transfers to ensure that the rights and interests of members are protected;
- (c) the details of the investment options in respect of which members may make an election must detail the severity of any inherent or associated risk and the performance benchmarks, as well as the underlying type of investments;
- (d) members must be reminded periodically of the need to review the investment choices made by them;
- (e) in a defined contribution fund with individual investment choice, the board must make it clear that the members bear the investment risk;
- (f) where appropriate, the board must ensure that basic information is provided by the fund to the members to ensure that the members understand the investments and operations of the fund; and
- (g) in a defined contribution fund, the board must ensure that –
 - (i) suitable investment choices are offered to members (including a suitable default investment option);
 - (ii) the performance of the investment options are monitored;
 - (iii) costs charged to members are optimised and disclosed in their disaggregated form; and
 - (iv) members are offered guidance and relevant projections on expected benefits.

56. In making investment decisions, the board must give appropriate consideration to any factor which may materially affect the sustainable long-term performance of the fund's assets.

Insured funds

57. Subject to the Act, where the assets of the fund consist exclusively or in part of insurance policies –

- (a) the board must ensure that the terms and conditions of the fund insurance policy issued by an insurer to the fund are reasonable and consistent with the provisions of the fund rules and the Act;
- (b) the board must ensure that the charges levied by the fund's insurer from time to time are reasonable in respect of the investment of the fund; and
- (c) the board must ensure that member's benefits are protected as envisaged in the Act.

PART 3**MANAGEMENT OF STAKEHOLDER RELATIONSHIPS****Fund information and access to fund information**

58. Subject to the Act, the board must ensure that –

- (a) trustees have unfettered access to all relevant information relating to the fund to enable them to make informed decisions;
- (b) all fund information is confidential and must not be released to any person unless such person has a lawful right thereto;
- (c) fund information such as its membership record and investment belongs to the fund and the board must ensure that where this information is held by a service provider, that the service provider will preserve its confidentiality and return the information to the fund when the relationship with the service provider is terminated;
- (d) the board must be the ultimate custodian of the corporate reputation and stakeholder relationships and the board must take account of and respond to the legitimate interests and expectations of stakeholders in its decision-making;
- (e) the board must ensure that stakeholder interests and expectations, even if not considered warranted or legitimate, must be dealt with and not ignored;
- (f) all communication with members, beneficiaries and other stakeholders must be responded to promptly by or on behalf of the board and with thoroughness and respect; and
- (g) the board must communicate to stakeholders any ruling made against the fund by the appeal body, court and any regulatory issues raised by NAMFISA and all deviations from fund rules.

Information technology governance

59. The fund must understand the strategic importance of information technology and manage the associated risks, benefits and constraints and the responsibility for the information technology function must be assumed by the board.

60. Information technology must be aligned with the performance and sustainability objectives of the fund.

61. The board must ensure that information assets are managed effectively.
62. Where the administrative function of information technology is outsourced to service provider, the board must obtain the necessary assurances and satisfy itself that the information technology risks are managed effectively by the service provider in accordance with best practise principles of information technology governance and risk management.
63. The risk or audit function must consider information technology risk as a crucial element of the effective oversight of the risk management of the fund.
64. In understanding and measuring information technology risks, the risk and/or audit function must understand the fund's overall exposure to information technology risk from a strategic and business perspective, including the areas of the business that are most dependent on information technology for effective and continual operation.

Employer and sponsor

65. The board must be independent and maintain their independence in their relationship with the employer or a sponsor in matters pertaining to the governance of the fund.

Reporting

66. Reporting channels between all the persons and entities involved in the governance of the fund must be established in order to ensure the effective and timely transmission of relevant and accurate information.

Disclosure

67. The board must disclose relevant information to all relevant persons notably members and beneficiaries, employer, sponsor, supervisory authorities, auditors and valuator in a clear, accurate and timely manner.

Non-compliance

68. NAMFISA may take appropriate enforcement actions in terms of Part 6 of Chapter 10 of the Act for non-compliance with this standard.

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION, BY A REGISTERED FUND, FOR
CANCELLATION OF REGISTRATION OR VARIATION OF THE CONDITIONS
SUBJECT TO WHICH REGISTRATION WAS GRANTED****Standard No. RF.S.5.27**

*issued by NAMFISA under section 410(2)(c), read with section 258(2), of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard –
 - (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act; and
 - (b) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following:
 - (a) as defined in section 1 of the Act –
 - (i) auditor;
 - (ii) NAMFISA;
 - (iii) principal officer;
 - (iv) retirement fund;
 - (v) valuator;
 - (b) as defined in section 249 of the Act –
 - (i) board;
 - (ii) fund; and
 - (iii) member.

Applicability

2. This Standard applies to all registered funds (hereinafter referred to as “applicants”) applying for cancellation of registration or for the variation of the conditions subject to which registration was granted, pursuant to section 258 of the Act.

Requirements for application of cancellation or variation of conditions for registration

3. An application for cancellation of registration or variation of the conditions for registration pursuant to section 258 of the Act must be submitted to NAMFISA in accordance with this Standard.
4. Pursuant to section 258(2) of the Act, an applicant that intends to apply for the cancellation of its registration granted pursuant to section 254, or variation of the conditions subject to which the registration was granted must –

- (a) apply to NAMFISA, in writing, in accordance with the form set out in Schedule 1, FORM A, titled Application letter;
- (b) complete the form and furnish particulars as set out in Schedule 2, FORM B, titled Application for cancellation/variation of registration granted pursuant to section 254 of the Act;
- (c) file with NAMFISA, a copy of the notice published in terms of section 258(3) of the Act;
- (d) provide a copy of the resolution on the decision to cancel its registration or vary the conditions subject to which it was registered pursuant to section 254 of the Act;
- (e) provide proof of payment of the prescribed application fee; and
- (f) provide any other information and documents that NAMFISA may, from time to time, reasonably require.

5. The applicant, its principal officer or a duly authorised person may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Notice

6. The applicant must, before filing the notice in the newspapers in terms of section 258(3) of the Act and clause 4(c), notify NAMFISA of the proposed intention to cancel the registration or to vary the conditions for which it was registered.

7. The applicant may, after NAMFISA has considered all objections received due to the published notice referred to in section 258(3) of the Act and clause 4(c), lodge an application with NAMFISA.

General requirements

8. An applicant must further specify the measures that the applicant shall take to discharge all its obligations, including contractual obligations and broker/service provider agreements, and meet all of its liabilities.

9. No registered fund shall voluntarily wind-up or cease to carry on the business of a fund without the prior written approval of NAMFISA.

10. An application, not complete in all respects and not conforming to the instructions specified in Schedule 2 and this Standard, may be rejected on the basis of non-compliance with this Standard.

11. In instances where the application is deemed not complete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

Application fee

12. An application must be accompanied by the required non-refundable fee as stipulated in terms of Standard GEN.S.10.23.

Submission

13. An application for cancellation of registration or for variation of the conditions subject to which it was registered must be completed in hard copies, signed by the principal officer of the registered fund or a duly authorised representative of the applicant, and submitted manually and electronically to NAMFISA together with supporting documents.

Effect of cancellation of registration

14. On and from the date of cancellation of the registration, the fund shall cease to act as a fund.

SUPPORTING SCHEDULE

15. The following supporting schedules are attached to and form part of this Standard:

Schedule 1: FORM A - Application letter

Schedule 2: FORM B - Application for cancellation of registration or variation of conditions of registration of a fund.

SCHEDULE 1**FORM A****APPLICATION LETTER**

(To be completed in duplicate)

**APPLICATION BY REGISTERED FUND FOR CANCELLATION OF REGISTRATION/
VARIATION OF CONDITIONS GRANTED PURSUANT TO SECTION 254 OF THE ACT**

In terms of section 258(2) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021 ("the Act")) –

1. I, the undersigned, being the principal officer or duly authorised person of
..... duly empowered thereto, hereby apply for

 the voluntary cancellation of registration of the said registered retirement fund, in terms of section 258(2) of the Act; or

 the variation of conditions subject to which the fund was registered pursuant to section 254 of the Act;
2. I submit with this application all the required documents as per Standard RF.S.5.27; and
3. The proof of payment of the application fee of N\$ as prescribed in Standard GEN.S.10.23 is enclosed with the application.

Principal officer or duly authorised person

Full names:

Signature:

Date:

Place:

SCHEDULE 2

FORM B

APPLICATION FOR CANCELLATION/VARIATION OF REGISTRATION GRANTED PURSUANT TO SECTION 254 OF THE ACT

1. RETIREMENT / BEBECIARY FUND

Full Name (of fund):

NAMFISA Registration Number:

2. CONTACT DETAILS

Physical address:

Postal address:

Tel. Work:

Fax No:

Email:

3. DETAILS OF PRINCIPAL OFFICER

First Names:

Surname:

ID/Passport No:

Nationality:

Gender:

Physical address:

Postal Address:

Tel. Work:

Email address:

4. DETAILS OF BOARD OF TRUSTEES

Name	Nationality	Elected/Appointed

Name of the Board Chairperson:

Board sub-committees	Name of Chairperson(s) of sub-committee(s)

5. NAME OF STATUTORY AUDITOR

.....

6. NAME OF STATUTORY VALUATOR

.....

7. NAME OF ADMINISTRATOR

.....

8. BOARD RESOLUTION

8.1 Date when the special resolution was passed

8.2 Effective date of cancellation or variation

8.3 Furnish full reason(s) why the special resolution in question 8.1 was passed:

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9. CANCELLATION/VARIATION SPECIFIC INFORMATION

9.1 Is the fund cancelling its registration, or varying its conditions for registration?

Cancellation	
Variation	

9.2 In case of variation of conditions for registration, please indicate the conditions for which variation is sought below.

.....

.....

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.....

9.3 Does the fund have any liabilities at the time of cancelling/variation?

Yes	
No	

9.4 If the answer is yes, kindly furnish full details of the arrangements that the fund has made to meet all its liabilities.

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9.5 Did the fund inform its Statutory Auditor and Statutory Valuator of this notification?

Yes	
No	

9.6 If the answer is No, kindly explain.

.....

10. LIQUIDATOR'S DETAILS (IF APPLICABLE)

Full name(s) of Liquidator

Identity number of Liquidator

Appointed date of Liquidator

Completion date of Liquidation

Total assets at the date the Liquidator is appointed

Total liabilities at the date the Liquidator is appointed

Total assets on the final date of liquidation

Total liabilities on the final date of liquidation

Total liquidator's fee (amount and percentage)

11. ATTACHMENTS REQUIRED

- Letter requesting for cancellation/variation of conditions to NAMFISA
- Original certificate of registration (declaration under Oath where original lost)
- Proof of settlement of liabilities
- A certificate by the Statutory Auditor and Valuator respectively stating that the fund has no liabilities (where there is liability, furnish further details as would be directed by NAMFISA)
- Copy of Board resolution for voluntary cancellation or variation decision
- Bank letter confirming the closure of the bank account(s), three (3) months after cancellation, if applicable
- Resolution for change of objectives (if applicable)
- Proof of communication in relation to 9.5
- Proof of communication to members
- Proof of payment of the prescribed application fee.

12. DECLARATION OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

I _____,
 (Full name of natural person acting on behalf of the applicant)

on behalf of the fund: _____
 (Name of fund)

hereby declare the following:

This application consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION, BY A REGISTERED SOCIETY, FOR CANCELLATION OF REGISTRATION OR VARIATION OF THE CONDITIONS SUBJECT TO WHICH REGISTRATION WAS GRANTED****Standard No. FS.S.6.19**

issued by NAMFISA under section 410(7)(t), read with section 294(2)), of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act; and
- (b) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following:
- (a) as defined in section 1 of the Act –
- (i) auditor;
 - (ii) NAMFISA;
 - (iii) principal officer;
 - (iv) society;
 - (v) valuator;
- (b) as defined in section 284 of the Act –
- (i) board;
 - (ii) friendly society; and
 - (iii) member.

Applicability

2. This Standard applies to all registered societies (hereinafter referred to as “applicants”) applying for cancellation of registration or for the variation of the conditions subject to which registration was granted, pursuant to section 291 of the Act.

Requirements for application of cancellation or variation of conditions for registration

3. An application for cancellation of registration or variation of the conditions for registration pursuant to section 294 of the Act must be submitted to NAMFISA in accordance with this Standard.

4. Pursuant to section 294(2) of the Act, an applicant that intends to apply for the cancellation of its registration granted pursuant to section 291, or variation of the conditions subject to which the registration was granted must –

- (c) apply to NAMFISA, in writing, in accordance with the form set out in Schedule 1, FORM A, titled Application letter;
- (d) complete the form and furnish particulars as set out in Schedule 2, FORM B, titled Application for cancellation/variation of registration granted pursuant to section 294 of the Act;
- (e) file with NAMFISA, a copy of the notice published in terms of section 294(3) of the Act;
- (f) provide a copy of the resolution on the decision to cancel its registration or vary the conditions subject to which it was registered pursuant to section 294 of the Act;
- (g) provide proof of payment of the prescribed application fee; and
- (h) provide any other information and documents that NAMFISA may, from time to time, reasonably require.

5. The applicant, its principal officer or a duly authorised person may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Notice

6. The applicant must, before filing the notice in the newspapers in terms of section 294(3) of the Act and clause 4(c), notify NAMFISA of the proposed intention to cancel the registration or to vary the conditions for which it was registered.

7. The applicant may, after NAMFISA has considered all objections received due to the published notice referred to in section 294(3) of the Act and clause 4(c), lodge an application with NAMFISA.

General requirements

8. An applicant must further specify the measures that the applicant shall take to discharge all its obligations, including contractual obligations and service provider agreements, and meet all of its liabilities.

9. No registered society shall voluntarily wind-up or cease to carry on the business of a society without the prior written approval of NAMFISA.

10. An application, not complete in all respects and not conforming to the instructions specified in Schedule 2 and this Standard, may be rejected on the basis of non-compliance with this Standard.

11. In instances where the application is deemed not complete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

Application fee

12. An application must be accompanied by the required non-refundable fee as stipulated in terms of Standard GEN.S.10.23.

Submission

13. An application for cancellation of registration or for variation of the conditions subject to which it was registered must be completed in hard copies, signed by the principal officer of the registered society or a duly authorised representative of the applicant, and submitted manually and electronically to NAMFISA together with supporting documents.

Effect of cancellation of registration

14. On and from the date of cancellation of the registration, the society shall cease to act as a society.

SUPPORTING SCHEDULE

15. The following supporting schedules are attached to and form part of this Standard:

Schedule 1: FORM A - Application letter

Schedule 2: FORM B - Application for cancellation of registration or variation of conditions of registration of a society.

SCHEDULE 1**FORM A****APPLICATION LETTER**

(To be completed in duplicate)

**APPLICATION BY REGISTERED SOCIETY FOR CANCELLATION OF REGISTRATION/
VARIATION OF CONDITIONS GRANTED PURSUANT TO SECTION 291 OF THE ACT**

In terms of section 294(2) of the Financial Institutions and Markets Act, 2021 [Act No. 2 of 2021 (“the Act”) –

1. I, the undersigned, being the principal officer or duly authorised person of
..... duly empowered thereto, hereby apply for

the voluntary cancellation of registration of the said registered society, in terms of section 294(2) of the Act; or

the variation of conditions subject to which the society was registered pursuant to section 291 of the Act;

2. I submit with this application all the required documents as per Standard FS.S.6.19; and

3. The proof of payment of the application fee of N\$ as prescribed in Standard GEN.S.10.23 is enclosed with the application.

Principal officer or duly authorised person

Full names:

Signature:

Date:

Place:

SCHEDULE 2

FORM B

APPLICATION FOR CANCELLATION/VARIATION OF REGISTRATION GRANTED PURSUANT TO SECTION 291 OF THE ACT

1. FRIENDLY SOCIETY

Full Name (of society):

NAMFISA Registration Number:

2. CONTACT DETAILS

Physical address:

Postal address:

Tel. Work:

Fax No:

Email:

3. DETAILS OF PRINCIPAL OFFICER

First Names:

Surname:

ID/Passport No:

Nationality:

Gender:

Physical address:

Postal Address:

Tel. Work:

Email address:

4. DETAILS OF BOARD OF TRUSTEES

Name	Nationality	Elected/Appointed

Name of the Board Chairperson:

Board sub-committees	Name of Chairperson(s) of sub-committee(s)

5. NAME OF STATUTORY AUDITOR

.....

6. NAME OF STATUTORY VALUATOR

.....

7. NAME OF ADMINISTRATOR

.....

8. BOARD RESOLUTION

8.1 Date when the special resolution was passed

8.2 Effective date of cancellation or variation

8.3 Furnish full reason(s) why the special resolution in question 8.1 was passed:

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9. CANCELLATION/VARIATION SPECIFIC INFORMATION

9.1 Is the society cancelling its registration, or varying its conditions for registration?

Cancellation	
Variation	

9.2 In case of variation of conditions for registration, please indicate the conditions for which variation is sought below.

.....

.....

.....

.....

.....

9.3 Does the society have any liabilities at the time of cancelling/variation?

Yes	
No	

9.4 If the answer is yes, kindly furnish full details of the arrangements that the society has made to meet all its liabilities.

.....

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9.5 Did the society inform its Statutory Auditor and Statutory Valuator of this notification?

Yes	
No	

9.6 If the answer is No, kindly explain.

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10. LIQUIDATOR’S DETAILS (IF APPLICABLE)

Full name(s) of Liquidator

Identity number of Liquidator

Appointed date of Liquidator

Completion date of Liquidation

Total assets at the date the Liquidator is appointed

Total liabilities at the date the Liquidator is appointed

Total assets on the final date of liquidation

Total liabilities on the final date of liquidation

Total liquidator’s fee (amount and percentage)

11. ATTACHMENTS REQUIRED

- Letter requesting for cancellation/variation of conditions to NAMFISA
- Original certificate of registration (declaration under Oath where original lost)
- Proof of settlement of liabilities
- A certificate by the Statutory Auditor and Valuator respectively stating that the society has no liabilities (where there is liability, furnish further details as would be directed by NAMFISA)
- Copy of Board resolution for voluntary cancellation or variation decision
- Bank letter confirming the closure of the bank account(s), three (3) months after cancellation, if applicable
- Resolution for change of objectives (if applicable)
- Proof of communication in relation to 9.5
- Proof of communication to members
- Proof of payment of the prescribed application fee.

12. DECLARATION OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

I _____ ,
 (Full name of natural person acting on behalf of the applicant)

on behalf of the society: _____
 (Name of society)

hereby declare the following:

This application consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****GOVERNANCE OF FRIENDLY SOCIETIES****Standard No. FS.S.6.20**

*issued by NAMFISA under sections 301(1)(l), 410(2)(n) and 410(7)(t) of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 [Act No. 3 of 2021], and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “chairperson” means a trustee elected or designated by trustees as the chairperson of the board of trustees in terms of the rules of the society;
 - (c) “conflict of interest” means a situation which the board, principal officer, employees or any other officers, auditor, valuator, society administrator or any other service providers encounter, while rendering a financial service to the society or its members if that situation –
 - (i) impairs the objectivity of the board, principal officer, employees or any other officers, auditor, valuator, society administrator or any other service providers in any aspect while serving on the board or rendering a financial service to the society or the members of the society; or
 - (ii) prevents the board, principal officer, employee or any other officers, auditor, valuator, society administrator or any other service providers from serving on the board or rendering a financial service to the society or its members in an unbiased and fair manner or from acting in the best interest of the society or the members of the society;
 - (d) “independent trustee” means a trustee that meets the requirements of standard GEN.S.10.8 (Independence);
- (2) Words and phrases defined in the Act, have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following
- (a) as defined in section 1 of the Act –
 - (i) actuary;
 - (ii) affiliate;
 - (iii) associate;
 - (iv) auditor;
 - (v) NAMFISA;
 - (vi) officer;
 - (vii) principal officer; and
 - (viii) valuator.

- (b) as defined in section 284 of the Act—
 - (i) board of trustees or board;
 - (ii) friendly society or society;
 - (iii) society administrator;
 - (iv) member;
 - (v) sponsor;

Applicability

2. This Standard applies to all friendly societies registered under the Act.
3. This Standard applies only to the extent that the subject matter dealt with in this standard is not dealt with specifically in the Act or regulations made by the Minister or standards issued by NAMFISA.

PART 1

GOVERNANCE BY THE BOARD

Board's ethical leadership responsibility

4. The Board must –
 - (a) provide effective leadership based on an ethical foundation characterised by the ethical values of responsibility, accountability, fairness and transparency;
 - (b) ensure that the responsibilities of the board are consistent with the overriding objectives of the society in accordance with section 285 of the Act;
 - (c) retain ultimate responsibility for the performance, conduct and governance of the society, even though certain functions are delegated or outsourced to external service providers and the board may not abdicate from any of its functions and responsibilities;
 - (d) be responsible for developing the society's ethical standards and such standards must inform all society practices, procedures, policies and conduct;
 - (e) consider the effect of its decisions on all key stakeholders, the most notable being the members of the society; and
 - (f) ensure that the society's ethics performance is assessed, monitored, reported and disclosed in the society's annual financial statements.

Board composition

5. Subject to the provisions of the Act, every board must consider whether its size, diversity and demographics make it effective and diverse.
6. Diversity of the board includes but is not limited to academic qualifications, technical expertise, relevant industry knowledge, experience, age, race and gender.
7. The board must collectively have the necessary qualification, knowledge and skills to oversee all the functions performed by a society, and to monitor delegates and advisors to whom such functions have been delegated.

8. Notwithstanding the appointing authority or body, the board:
- (a) owes a primary duty of care to the society and are not specifically accountable to or required to disclose any information to the appointing authority or body through whom they were appointed or elected as trustees; and
 - (b) must be sensitive to managing the diversity of the board effectively to ensure that any tension, fears, disagreements, influence, affiliations, special interest, or any other consideration do not hinder decision-making and ensure that the above is addressed in the code of conduct of the board.
9. The board of trustees must have the relevant minimum qualifications and expertise among them as necessary to provide effective oversight and leadership direction of the society's business to ensure it is conducted in a sound and prudent manner and for this purpose –
- (a) the board must collectively and individually have, and continue to maintain, including through training, the necessary skills, knowledge and understanding of the society's business to be able to fulfil their roles;
 - (b) while certain areas of expertise may lie in some, but not all, members, the collective board must have an adequate spread and level of relevant competencies and understanding as appropriate to the society's business and the fulfilment of the board's duties in accordance with section 301 of the Act.
10. The board of trustees must have a full reporting structure, which includes the chairperson, principal officer and such other board of trustees as deemed appropriate.
11. The board of trustees must be comprised of persons that are Namibian citizens or foreign persons who are ordinarily resident in Namibia.

Board chairperson

12. The chairperson of the board must –
- (a) proactively and impartially lead the board, without bias in favour of any person, the employer, the administrator or any other service provider;
 - (b) proactively raise issues of concerns, on behalf of the board or the society, with any person, employer, the administrator or any other service providers; and
 - (c) ensure that the performance of the board as a whole, board sub-committees and principal officer is reviewed and evaluated on a regular basis and to manage the performance of the board.

Orientation and training of trustees

13. New trustees must, at the expense of the society, receive comprehensive training on both the legislative, regulatory and governance principles in order to equip them to effectively carry out their functions as trustees.
14. The board must seek to enhance its knowledge, where relevant, via appropriate training programmes that meet the specific needs of both the society and the individual trustees, as may be identified during the annual individual performance evaluation so as to enable the trustees to make the maximum contribution possible.

15. Trustees must receive regular briefings on matters relevant to the business of the society, changes in risks and laws applicable to the business of the society, including accounting standards and policies and the environment in which it operates.

Independence and conflicts of Interest

16. A member of the board, principal officer, employee or any other officers, auditor, valuator, administrator and any other service providers must report to the board any conflict of interest encountered during the performance of their duties.

17. There must be a clear identification and separation of operational and oversight responsibilities in the governance of the society, and the segregation of duties must reflect the nature and extent of the governance risks faced by the society;

18. The board must –

- (a) demonstrate their independence in the way they exercise any discretion and must not be influenced by inappropriate considerations;
- (b) always consider what is in the best interest of the society and its beneficiaries;
- (c) ensure that appropriate controls exist to-
 - (i) promote the independence and impartiality of the board;
 - (ii) ensure the confidentiality of sensitive information pertaining to the society and its beneficiaries, administrators and any other service providers; and
 - (iii) prevent the improper use of privileged or confidential information.
- (d) ensure that the administrators or any other service provider do not interfere or unduly influence the management of the society.

Delegation of authority

19. The board must not abdicate their responsibility over the delegated functions.

20. Sub-committees of the board may be established to exercise a specific oversight responsibility or to carry out, where the rules of the society permit it, any Board-delegated responsibility.

21. The terms of reference of a sub-committee of the Board must, as a minimum, cover:

- (a) composition of sub-committee;
- (b) objectives, purpose and functions;
- (c) delegated authorities, including the extent of power to make decisions or recommendations or both;
- (d) tenure; and
- (e) reporting mechanism to the board.

22. Every member of a sub-committee must be suitably skilled and experienced to serve on such sub-committee.

23. Each sub-committee must be required to advise the board on risks relating to the functions to be performed by that sub-committee, and the processes or controls necessary to mitigate such risk.

Filling of interim vacancies on the board

24. The board must fill interim vacancies in the manner prescribed by the rules of the society, within a reasonable time from when the vacancy arose, pursuant to sections 299 of the Act.

Tenure of Office

25. To ensure independence and reduce the risk of familiarity, no trustee may serve for more than two (2) consecutive terms.

26. To ensure independence and reduce the risk of familiarity in respect of the auditor of the society, the auditor must be appointed for a fixed period and the auditor may not serve for more than two (2) consecutive terms; and in the case the auditor is a firm of auditors, an audit partner may not be engaged for more than two (2) consecutive terms.

27. To ensure independence and reduce the risk of familiarity in respect of the valuator of the society, the valuator be appointed for fixed period and a valuator may not serve for more than two (2) consecutive terms.

Rotation

28. The board must consider occasional rotation of members and of the chairs of sub-committees or tenure limits to serve on a sub-committee, to avoid undue concentration of power and promote fresh perspectives.

Internal audit

29. The board must consider whether the structure and operations of the society would benefit from the introduction of an internal audit function.

30. Where the board decide to introduce an internal audit function, the board must ensure that –

- (a) there is an effective risk based internal audit function;
- (b) in the event that the internal audit function is outsourced, the board is ultimately responsible to oversee, manage, inform and take accountability for the effective functioning of the outsourced internal audit function;
- (c) the board must be ultimately responsible for the appointment, performance assessment and dismissal of the head of internal audit;
- (d) internal audit must pursue a risk based approach to planning as opposed to a compliance based approach that is limited to evaluation of adherence to procedures; and
- (e) internal controls must be established not only over financial matters, but also operational, compliance and sustainability matters in order to manage risks facing the society.

Performance evaluation of board

31. The board must, at least annually, review its own performance to ascertain whether board members collectively and individually remain effective in discharging the respective roles and responsibilities assigned to them and identify opportunities to improve the performance of the board as a whole.

32. The board must implement appropriate measures to address any identified inadequacies, including any training programs for board members.

33. Subject to the Act, the board must ensure that –

- (a) an evaluation of the board, its sub-committees and individual trustees is performed annually against the board's determined role, functions, duties and performance criteria, as well as those for members of the board sub-committees;
- (b) the past performance of a trustee must be taken into account when trustees are nominated for reappointment or re-election;
- (c) evaluations must be conducted by the chairperson who must ensure that trustees know that they will be subject to evaluation, that they understand the criteria to be used for evaluation and that they understand the evaluation procedures that will be followed;
- (d) The board must appoint an independent trustee, if any, from within its ranks to lead the process of the evaluation of the chairperson's performance and in the event that the board does not have an independent non-executive trustee, the evaluation of the chairperson must be led by at least 2 (two) trustees designated by the board; and
- (e) the chairperson of the board or a committee appointed by the board, must evaluate the performance of the principal officer at least once a year.

PART 2**GOVERNANCE OF THE OPERATIONS OF THE SOCIETY****Role of the board in setting the society strategy**

34. The board must be involved in the determination and approval of the long-term and short-term strategies of the society and monitor implementation therewith by management or the service provider to whom management services have been outsourced, if any.

35. Before approving the strategy, the board must ensure that the strategy is aligned with the Act and any relevant legislation, the purpose or object of the society, the value drivers of the society's business and the legitimate interests and expectations of the society's stakeholders, especially the beneficiaries of the society.

36. The board must identify key performance and risk areas as well as the associated performance and risk indicators and measures and this would include areas such as finance, ethics, conduct, compliance and sustainability.

Internal controls

37. The board must ensure that there are adequate internal controls in place to ensure that all persons and entities with operational and oversight responsibilities act in accordance with the objectives set out in rules of the society, the Act and any other applicable law.

- 38.** Internal controls must cover all basic organisational and administrative procedures; depending upon the scale and complexity of the society, the internal controls must include performance assessment, compensation mechanisms, information systems and processes, risk and compliance management procedures.
- 39.** Appropriate policies guiding governance and operations must be adopted and implemented by the board.
- 40.** The oversight responsibility of the board requires that there must be –
- (a) regular assessments of the performance of the persons and entities involved in the operations of the society in terms of service level agreements, mandates, and performance contracts;
 - (b) regular reviews of services and fees and all costs associated with the operations of the society in order to ensure that they are appropriate;
 - (c) a regular review of the information processes, operational software systems, and accounting and financial reporting systems involved in the operations of the society;
 - (d) the monitoring and resolution of actual, potential or perceived conflicts of interest amongst those involved in the operation of the society;
 - (e) the protection of confidential information of the society; and
 - (f) regular reviews of compliance with regulatory and statutory requirements of the society.

Expert advice

- 41.** Where a board lacks sufficient expertise to make a fully informed decision and fulfil its responsibilities, it may seek expert advice.
- 42.** The board must satisfy itself that any expert advice obtained is independently given, and where any person provides expert advice in respect of any person, the administrator or any other service provider, the board must satisfy itself that such advice is not compromised by the relationship of that person or his or her firm to any person, the administrator or any other service provider as the case may be.
- 43.** The board must assess and satisfy itself that any expert advice received is of quality and that it must verify that all its staff and service providers have adequate qualifications and experience. The board is not obliged to accept any advice but must consider the appropriateness of such advice.

Risk Management

- 44.** Subject to the Act-
- (a) the board may assign oversight of the society's risk management function to an appropriate board sub-committee;
 - (b) the board must ensure that the frameworks and processes in place to assist in anticipating these risks have the following characteristics –
 - (i) insight - the ability to identify the cause of the risk, where there are multiple causes or root causes that are not immediately obvious;

- (ii) information - comprehensive information about all aspects of risks and risk sources, especially of financial risks;
- (iii) incentives - the ability to separate risk origination and risk ownership ensuring proper due diligence and accountability;
- (iv) instinct - the ability to avoid 'following the herd' when there are systemic and pervasive risks;
- (v) independence - the ability to view the society independently from its environment; and
- (vi) interconnectivity - the ability to identify and understand how risks are related, especially when their relatedness might exacerbate the risk.

45. The board must have in place a risk management policy which must be reviewed regularly, but at least annually, and must include –

- (a) the identification of risks facing the society;
- (b) the assessment of the likelihood of each such risk on the society;
- (c) the assessment of the impact of each such risk on the society;
- (d) the process or controls necessary to reduce the impact of such risks;
- (e) the monitoring of the risk process or controls to ensure that they are appropriate; and
- (f) the communication to the beneficiaries and the stakeholders of the society's risk management policy, including the identification of the key risks and the processes or controls in place to manage them.

46. The board must ensure that the society considers and implements appropriate risk responses.

47. The society must identify and consider different ways that it can respond to the risks identified during the risk assessment process and these responses must be noted in a risk register.

48. The society must be able to demonstrate that the risk management process provides for the identification and exploitation of opportunities to improve its performance.

49. The risks to be identified must not be limited to those which have a financial consequence, but must include risks which relate to the governance of the society, and which may jeopardise the governance structure.

50. The society is not expected to micro-manage the functions delegated to service providers, but those functions must, when delegated, contain sufficient detail to ensure that the service provider understands what is expected by the board and provide for reasonable right of recourse in the event that there is any breach of the delegated functions by the service provider.

51. The board must receive assurance regarding the effectiveness of the risk management process, for outsourced or delegated functions.

52. The board must ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.

Society expenses

53. The board must perform regular review of services, against set performance standards and fees and all costs associated with the operation of the society in order to ensure that they are appropriate.
54. The board must ensure that the costs and expenses of the society are managed efficiently.

PART 3**MANAGEMENT OF STAKEHOLDER RELATIONSHIPS****Society information and access to society information**

55. Subject to the Act, the board must ensure that –
- (a) trustees have unfettered access to all relevant information relating to the society to enable them to make informed decisions;
 - (b) all society information is confidential and must not be released to any person unless such person has a lawful right to such information;
 - (c) society information such as its membership and investments belong to the society and the board must ensure that where this information is held by a service provider, that the service provider will preserve its confidentiality and return the information to the society when the relationship with the service provider is terminated;
 - (d) the board must be the ultimate custodian of the corporate reputation and stakeholder relationships and the board must take account of and respond to the legitimate interests and expectations of stakeholders linked to the society in its decision-making;
 - (e) the board must ensure that stakeholder interests and expectations, even if not considered warranted or legitimate, must be dealt with and not ignored;
 - (f) all communication from members, beneficiaries and other stakeholders must be responded to promptly by or on behalf of the board and with thoroughness and respect;
 - (g) the board must communicate to stakeholders any ruling made against the society by the appeal body, or financial services adjudicator, court rulings against the society, regulatory issues raised by NAMFISA and all deviations from society rules.

Information technology governance

56. The society must understand the strategic importance of information technology and manage the associated risks, benefits and constraints and the responsibility for the information technology function must be assumed by the board.
57. Information technology must be aligned with the performance and sustainability objectives of the society.
58. The board must ensure that information assets are managed effectively.

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION FOR CANCELLATION OR VARIATION
OF REGISTRATION OF A MEDICAL AID FUND****Standard No. MAF.S.7.17**

issued by NAMFISA under section 331(2)(a) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act; and
 - (b) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions.
- (2) Words and phrases defined in the Act have the same meaning in this Standard unless the context indicates otherwise, including without limitation, the following –
- (a) as defined in section 1 of the Act –
 - (i) auditor;
 - (ii) NAMFISA;
 - (iii) principal officer;
 - (iv) medical aid fund;
 - (v) valuator;
 - (b) as defined in section 321 of the Act –
 - (i) board; and
 - (ii) fund.

Applicability

2. This Standard applies to all registered medical aid funds (hereinafter referred to as “applicants”) applying for cancellation of its registration or for the variation of the conditions subject to which registration was granted, pursuant to section 331 of the Act.

Requirements for application of cancellation or variation of conditions for registration

3. An application for cancellation of registration or variation of the conditions for registration pursuant to section 331 of the Act must be submitted to NAMFISA in accordance with this Standard.

4. Pursuant to sub-section 331(2) of the Act, an applicant that intends to apply for the cancellation of its registration granted pursuant to section 328, or variation of the conditions subject to which that registration was granted, must –

- (a) apply to NAMFISA, in writing, in accordance with the form set out in Schedule 1, FORM A, titled Application letter;

- (b) complete the form and furnish particulars as set out in Schedule 2, FORM B, titled Application for cancellation/variation of registration granted pursuant to section 328 of the Act;
- (c) file with NAMFISA, as proof, a copy of the notice published in terms of section 331(3) of the Act;
- (d) provide a copy of the resolution on the decision to cancel its registration or vary the conditions for which it was registered pursuant to section 328 of the Act;
- (e) provide proof of payment of the application fee; and
- (f) provide any other information and documents that NAMFISA may, from time to time, reasonably require.

5. The applicant, its principal officer or a duly authorised person may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Notice

6. The applicant must, before filing the notice in the newspapers in terms of section 331(3) of the Act and clause 4(c), notify NAMFISA of the proposed intention to cancel the registration or to vary the conditions for which it was registered.

7. The applicant may, after NAMFISA has considered all objections received due to the published notice referred to in section 331(3) of the Act and clause 4(c), lodge an application with NAMFISA.

General requirements

8. An applicant must further specify the measures that the applicant shall take to discharge all its obligations, including contractual obligations and broker agreements, and meet all of its liabilities.

9. No registered medical aid fund shall voluntarily wind-up or cease medical aid fund business operations without the prior written approval of NAMFISA.

10. An application, not complete in all respects and not conforming to the instructions specified in Schedule 2 and this Standard, may be rejected on the basis of non-compliance with this Standard.

11. In instances where the application is deemed not complete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

Application fee

12. An application must be accompanied by the required non-refundable fee as stipulated in terms of Standard GEN.S.10.23.

Submission

13. An application for cancellation of registration or for variation of the conditions subject to which it was registered must be completed in hard copies, signed by the principal officer of the registered fund or a duly authorised representative of the applicant, and submitted manually and electronically to NAMFISA together with supporting documents.

Effect of cancellation of registration

14. On and from the date of cancellation of the registration, the medical aid fund shall cease to act as a medical aid fund.

SUPPORTING SCHEDULES

15. The following supporting schedules are attached to and form part of this Standard:

Schedule 1: FORM A - Application letter

Schedule 2: FORM B - Application for cancellation of registration or variation of conditions of registration of a medical aid fund.

SCHEDULE 1**FORM A****APPLICATION LETTER**

(To be completed in duplicate)

APPLICATION BY REGISTERED MEDICAL AID FUND FOR CANCELLATION OF REGISTRATION/VARIATION OF CONDITIONS GRANTED PURSUANT TO SECTION 328 OF THE ACT

In terms of section 331(2) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021 ("the Act")) –

1. I, the undersigned, being the principal officer or duly authorised person of duly empowered thereto, hereby apply for
 - the voluntary cancellation of registration of the said registered medical aid fund, in terms of section 331(2) of the Act; or
 - the variation of conditions subject to which the fund was registered pursuant to section 328 of the Act;
2. I submit with this application all the required documents as per Standard MAF.S.7.17; and
3. The proof of payment of the application fee of N\$ as prescribed in Standard GEN.S.10.23 is enclosed with the application.

Principal officer or duly authorised person

Full names:

Signature:

Date:

Place:

SCHEDULE 2**FORM B****APPLICATION FOR CANCELLATION/VARIATION OF REGISTRATION GRANTED
PURSUANT TO SECTION 328 OF THE ACT****1. MEDICAL AID FUND**

Full Name (of fund):

NAMFISA Registration Number:

2. CONTACT DETAILS

Physical address:

Postal address:

Tel. Work:

Cell. No:

Fax No:

Email:

3. DETAILS OF PRINCIPAL OFFICER

First Names:

Surname:

ID/Passport No:

Nationality:

Gender:

Physical address:

Postal Address:

Tel. Work:

Email address:

4. DETAILS OF BOARD OF TRUSTEES

Name	Nationality	Elected/Appointed

Name of the Board Chairperson:

Board sub-committees	Name of Chairperson(s) of sub-committee(s)

5. NAME OF STATUTORY AUDITOR

.....

6. NAME OF STATUTORY VALUATOR

.....

7. NAME OF ADMINISTRATOR

.....

8. BOARD RESOLUTION

8.1 Date when the special resolution was passed

8.2 Effective date of cancellation or variation

8.3 Furnish full reason(s) why the special resolution in question 8.1 was passed

.....

.....

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.....

.....

9. CANCELLATION/VARIATION SPECIFIC INFORMATION

9.1 Is the medical aid fund cancelling its registration, or varying its conditions for registration?

Cancellation	
Variation	

9.2 In case of variation of conditions for registration, please indicate the conditions for which variation is sought below.

.....

.....

.....

.....

.....

9.3 Does the medical aid fund have any liabilities at the time of cancelling/variation?

Yes	
No	

9.4 If the answer is yes, kindly furnish full details of the arrangements that the medical aid fund has made to meet all its liabilities.

.....

.....

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.....

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9.5 Did the medical aid fund inform its Statutory Auditor and Statutory Valuator of this notification?

Yes	
No	

9.6 If the answer is No, kindly explain.

.....

.....

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.....

.....

10. LIQUIDATOR’S DETAILS (IF APPLICABLE)

Full name(s) of Liquidator

Identity number of Liquidator

Appointed date of Liquidator

Completion date of Liquidation

Total assets at the date the Liquidator is appointed

Total liabilities at the date the Liquidator is appointed

Total assets on the final date of liquidation

Total liabilities on the final date of liquidation

Total liquidator’s fee (amount and percentage)

11. ATTACHMENTS REQUIRED

- Letter requesting for cancellation/variation of conditions to NAMFISA
- Original certificate of registration (declaration under Oath where original lost)
- Proof of settlement or liabilities
- A certificate by the Statutory Auditor and Valuator stating that the medical aid fund has no liabilities (where there is liability, furnish further details as would be directed by NAMFISA)
- Copy of Board resolution for voluntary cancellation/variation decision
- Bank letter confirming the closure of the bank account(s) three (3) months after cancellation, if applicable
- Resolution for change of objectives
- Proof of communication in relation to 9.5
- Proof of communication to members
- Proof of payment of the prescribed application fee.

12. DECLARATION OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSONS

I _____,
 (Full name of natural person acting on behalf of the applicant)

on behalf of the fund: _____
 (Name of fund)

hereby declare the following:

This application consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 [Act No. 2 of 2021]****MANNER AND FORM OF APPLICATION FOR REGISTRATION
OF A MEDICAL AID FUND BROKER****Standard No. MAF.S.7.18**

issued by NAMFISA under section 333(2)(a) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 [Act No. 2 of 2021], and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

2. Words and phrases defined in the Act have the same meaning in this Standard unless the context indicates otherwise, including without limitation, the following –

(c) as defined in section 1 of the Act –

- (iii) auditor;
- (iv) corporate body;
- (v) NAMFISA;
- (vi) principal officer; and
- (vii) medical aid fund.

(d) as defined in section 321 of the Act –

- (i) board; and
- (ii) medical aid fund broker.

Applicability

3. This Standard applies to all medical aid fund brokers and to their principal officers.

Requirements for application of registration

4. An application for registration of a medical aid fund broker must consist of –

- (a) a duly completed application form, in the form of Annexure A to this Standard in case of an individual; and/or
- (b) a duly completed application form, in the form of Annexure B to this Standard in the case of a corporate body;

duly signed by the principal officer in the case of an existing medical aid fund broker, or by the interim principal officer in the case of a new medical aid fund broker.

5. In addition to the application form/s referred to in clause 4, an application for registration must be accompanied by –

- (a) certified copies of –
 - (i) the appointment letter from the registered corporate medical aid fund broker if the applicant is or will be employed or contracted by a registered corporate medical aid fund broker; and
 - (ii) any other documents that the applicant considers relevant or that NAMFISA may require;
- (b) an errors and omissions insurance policy pursuant to subsection 334(4)(a) of the Act;
- (c) adequate fidelity insurance policy pursuant to subsection 334(4)(b) of the Act, if applicable;
- (d) proof of payment of the prescribed registration/application fee;
- (e) the requirements contained in Standards GEN.S.10.2 (fit and proper requirements) and GEN.S.10.8 (Independence requirements), and
- (f) any other document and/or information that may be requested by the Authority as provided for in the Act.

6. In the case of an application for registration as a corporate medical aid fund broker, the applicant must submit certified copies of its founding and registration documents, including the following:

- (a) memorandum and articles of association/founding statement; and
- (b) share certificates or certificate of member's interest.

7. In instances where the application is deemed not complete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

8. Supporting annexures

The following supporting annexures are attached to and form part of this standard –

Annexure A: APPLICATION FORM FOR REGISTRATION AS A MEDICAL AID FUND BROKER - Individual/Natural Person

Annexure B: APPLICATION FORM FOR REGISTRATION AS A MEDICAL AID FUND BROKER – Corporate entity

ANNEXURE A**APPLICATION FORM FOR REGISTRATION AS A MEDICAL AID FUND BROKER**
Individual/Natural Person

I, the undersigned, do hereby apply for registration to carry on the business of medical aid fund broker in Namibia pursuant to section 333 of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021) (the “Act”).

1. DETAILS OF APPLICANT

Full Name(s):

Surname:

Current/other NAMFISA License Number:

ID/Passport Number:

Gender:

Income Tax Number:

2. CONTACT DETAILS**A) Work address contact details**

Physical address:

Postal address:

Telephone Number:

Facsimile Number:

Email:

B) Home address and contact details

Physical Address:

Postal Address:

Telephone Number:

Mobile Number:

3. EMPLOYMENT HISTORY

Current Employer:

Position:

Period of employment:

Previous Employer:

Position:

Period of employment:

4. EDUCATIONAL QUALIFICATIONS

Highest qualifications:

Relevant training attended:

5. BANKING DETAILS

Bank Name:

Branch Name:

Branch Code:

Account Number:

Account Type:

6. ATTACHMENTS

- i. Registration fee (proof of payment)
- ii. Proof of bank account
- iii. If registered with NAMFISA previously, proof of payment of annual fee
- iv. Abridged or shortened CV
- v. Certified copy of highest educational qualification(s)
- vi. Affidavit and Fit and proper questionnaire signed in front of Commissioner of Oath
- vii. Certified copy of ID/valid passport
- viii. Residence permit or work permit (if not a Namibian citizen)
- ix. Professional indemnity insurance cover certificate
- x. Proof of registration as a tax payer from the Receiver of Revenue
- xi. Municipality certificate of registration and/or fitness
- xii. Police clearance certificate
- xiii. Declarations on all relationships or affiliations with medical aid funds' boards of trustees, principal officers, employees and the administrator;
All copies of original documents must be duly certified. Copies made from certified documents will not be accepted.

7. DECLARATION

I _____,
(Full name of natural person acting on behalf of the applicant)

hereby declare the following:

This statement consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

ANNEXURE B

**APPLICATION FORM FOR REGISTRATION AS A MEDICAL AID FUND
BROKER CORPORATE ENTITY**

Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021)

I, the undersigned, do hereby apply on behalf of [insert name of corporate body] for registration to carry on the business of corporate medical aid fund broker in Namibia pursuant to section 333 of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021) (the “Act”).

1. DETAILS OF APPLICANT CORPORATE BODY

Full Name:

Company Registration Number:

VAT Number:

Current/other NAMFISA License Number:

2. CONTACT DETAILS

Physical Address:

Postal Address:

Telephone Number:

Facsimile Number:

E-Mail Address:

3. DIRECTORS OF APPLICANT CORPORATE BODY

Names, Nationality and Country of Residence:

.....
.....
.....
.....
.....

4. OWNERSHIP STRUCTURE OF APPLICANT CORPORATE BODY

Shareholders or members' names & proportion of ownership:

.....

.....

.....

.....

.....

5. BANKING DETAILS OF APPLICANT CORPORATE BODY

Bank Name:

Branch Name:

Branch Code:

Account number:

Account Type:

6. AUDITOR OR ACCOUNTANT OF APPLICANT CORPORATE BODY IN NAMIBIA

Full Name:

Physical Address:

Telephone Number:

Facsimile Number:

E-Mail Address:

7. PERIOD OF FINANCIAL YEAR:

8. DETAILS OF PRINCIPAL OFFICER (PO)

First Name and Middle Names:

Surname:

ID/Passport Number:

Nationality:

Gender:

Physical Address:

Postal Address:

Telephone Number (w):

Mobile Number:

Facsimile Number:

E-Mail Address:

9. EMPLOYMENT HISTORY OF PO

Current Employer:

Date of employment:

Previous Employer:

Period of employment:

10. EDUCATIONAL QUALIFICATIONS OF PO

Highest qualifications:

Relevant training attended:

11. ATTACHMENTS

A. Company:

- (i) Registration fee (proof of payment)
- (ii) Proof of bank account
- (iii) Memorandum and Articles of Association
- (iv) List of Directors/members
- (v) Certified copies of share or member's interest certificates
- (vi) Certified copies of Directors/members ID/Valid Passport
- (vii) Municipality Certificate of Registration or /of Fitness
- (viii) Professional Indemnity Insurance cover/certificate
- (ix) If registered with NAMFISA previously, proof of annual fee payment
- (x) Proof of registration as a tax payer from the Receiver of Revenue

B. Principal officer and Board

- (i) Abridged or shortened CV
- (ii) Certified copies of Highest Educational Qualifications
- (iii) Affidavit and Fit and Proper Questionnaire signed in-front of Commissioner of Oath
- (iv) Certified Copy of ID/Valid Passport
- (v) Residence Permit or Work Permit (if not a Namibian citizen)
- (vi) Income tax certificate

All copies of original documents must be duly certified. Copies made from certified documents will not be accepted.

12. PRINCIPAL OFFICER'S DECLARATION:

I _____,
 (Full name of natural person acting on behalf of the applicant)

on behalf of the broker: _____
 (Name of broker)

hereby declare the following:

This statement consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****FORM OF CERTIFICATE OF REGISTRATION FOR A MEDICAL AID FUND BROKER****Standard No. MAF.S.7.19**

issued by NAMFISA under section 335(3) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the term “medical aid fund broker” as defined in section 321 of the Act.

Applicability

2. This Standard applies to all medical aid fund brokers registered under the Act.

Form of certificate of registration

3. Upon registration of an applicant as a medical aid fund broker, NAMFISA must issue to the medical aid fund broker a certificate of registration in the form of Annexure A to this Standard.

ANNEXURE**Registration No****CERTIFICATE OF REGISTRATION****Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021)****REGISTRATION AS A MEDICAL AID FUND BROKER****This is to certify that**

with principal office: _____

has been duly registered in terms of section 335(1) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and may operate from the following places within Namibia:

Chief Executive Officer_____
Date of Registration
Period of validity

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION FOR CANCELLATION OR VARIATION
OF REGISTRATION OF A MEDICAL AID FUND BROKER****Standard No. MAF.S.7.20**

issued by NAMFISA under section 337(2)(a) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard unless the context indicates otherwise, including without limitation, the following-

(a) as defined in section 1 of the Act –

- (i) auditor;
- (ii) NAMFISA;
- (iii) principal officer;
- (iv) valuator;

(b) as defined in section 321 of the Act –

- (i) board;
- (ii) fund; and
- (iii) medical aid fund broker.

Applicability

2. This Standard applies to all registered medical aid fund brokers (hereinafter referred to as “applicants”) applying for cancellation of its registration or for the variation of the conditions subject to which registration was granted pursuant to section 337 of the Act.

Requirements for application of cancellation or variation of conditions for registration

3. An application for cancellation of registration or variation of the conditions for registration pursuant to section 337 of the Act must be submitted to NAMFISA in accordance with this Standard.

4. Pursuant to sub-section 337(2) of the Act, an applicant that intends to apply for the cancellation of its registration granted pursuant to section 335, or variation of the conditions subject to which that registration was granted, must –

- (a) apply to NAMFISA, in writing, in accordance with the form set out in Schedule 1, FORM A, titled Application letter;
- (b) complete the form and furnish particulars as set out in Schedule 2, FORM B, titled Application for cancellation/variation of registration granted pursuant to section 337 of the Act;

- (c) file with NAMFISA, as proof, a copy of the notice published in terms of section 337(3) of the Act;
- (d) provide a copy of the resolution on the decision to cancel its registration or vary the conditions for which it was registered pursuant to section 335 of the Act;
- (e) provide proof of payment of the application fee; and
- (f) provide any other information and documents that NAMFISA may, from time to time, reasonably require.

5. The applicant, its principal officer or a duly authorised person may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Notice

6. The applicant must, before filing the notice in the newspapers in terms of section 337(3) of the Act and clause 4(c), notify NAMFISA of the proposed intention to cancel the registration or to vary the conditions for which it was registered.

7. The applicant may, after NAMFISA has considered all objections received due to the published notice referred to in section 337(3) of the Act and clause 4(c), lodge an application with NAMFISA.

General requirements

8. An applicant must further specify the measures that the applicant shall take to discharge all its obligations, including contractual obligations and broker agreements, and meet all of its liabilities.

9. No registered medical aid fund broker shall voluntarily wind-up or cease medical aid fund broker business operations without the prior written approval of NAMFISA.

10. An application, not complete in all respects and not conforming to the instructions specified in Schedule 2 and this Standard, may be rejected on the basis of non-compliance with this Standard.

11. In instances where the application is deemed not complete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

Application fee

12. An application must be accompanied by the required non-refundable fee as stipulated in terms of Standard GEN.S.10.23.

Submission

13. An application for cancellation of registration or for variation of the conditions subject to which it was registered must be completed in hard copies, signed by the principal officer of the registered medical aid fund broker or a duly authorised representative of the applicant, and submitted manually and electronically to NAMFISA together with supporting documents.

14. In instances where the application is deemed incomplete, NAMFISA must give the applicant an opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

Effect of cancellation of registration

15. On and from the date of cancellation of the registration, the medical aid fund broker shall cease to act as a medical aid fund broker.

SUPPORTING SCHEDULES

16. The following supporting schedules are attached to and form part of this Standard:

Schedule 1: FORM A - Application letter

Schedule 2: FORM B - Application for cancellation of registration or variation of conditions of registration of a medical aid fund broker.

SCHEDULE 1**FORM A****APPLICATION LETTER**

(To be completed in duplicate)

APPLICATION BY REGISTERED MEDICAL AID FUND BROKER FOR CANCELLATION OF REGISTRATION/VARIATION OF CONDITIONS GRANTED PURSUANT TO SECTION 337 OF THE ACT

In terms of section 337(2) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021) (“the Act”) –

1. I, the undersigned, being the principal officer or duly authorised person of
..... (name of broker) duly empowered thereto, hereby apply for
 - the voluntary cancellation of registration of the said registered medical aid fund broker, in terms of section 337(2) of the Act; or
 - the variation of conditions subject to which the broker was registered pursuant to section 335 of the Act;
2. I submit with this application all the required documents as per Standard MAF.S.7.20; and
3. The proof of payment of the application fee of N\$ as prescribed in Standard GEN.S.10.23 is enclosed with the application.

Principal officer or duly authorised person of broker

Full names:

Signature:

Date:

Place:

SCHEDULE 2**FORM B****APPLICATION FOR CANCELLATION/VARIATION OF REGISTRATION GRANTED
PURSUANT TO SECTION 337 OF THE ACT****1. MEDICAL AID FUND BROKER**

Full Name (of broker)

NAMFISA Registration Number

2. CONTACT DETAILS

Physical address:

Postal address:

Tel. Work:

Cell. No:

Fax No:

Email:

3. DETAILS OF PRINCIPAL OFFICER OF MEDICAL AID FUND BROKER

First Names:

Surname:

ID/Passport No:

Nationality:

Gender:

Physical address:

Postal Address:

Tel. Work:

Email address:

4. DETAILS OF BOARD OF TRUSTEES/DIRECTORS OF MEDICAL AID FUND BROKER

Name	Nationality	Elected/Appointed

Name of the Board Chairperson:

Board sub-committees	Name of Chairperson(s) of sub-committee(s)

5. NAME OF STATUTORY AUDITOR

.....

6. NAME OF STATUTORY VALUATOR (if applicable)

.....

7. BOARD RESOLUTION

7.1 Date when the special resolution was passed

7.2 Effective date of cancellation or variation

7.3 Furnish full reason(s) why the special resolution in question 7.1 was passed

.....

8. CANCELLATION/VARIATION SPECIFIC INFORMATION

8.1 Is the medical aid fund broker cancelling its registration, or varying its conditions for registration?

Cancellation	
Variation	

8.2 In case of variation of conditions for registration, please indicate the conditions for which variation is sought below.

.....

.....

.....

.....

.....

8.3 Does the medical aid fund broker have any liabilities at the time of cancelling/variation?

Yes	
No	

8.4 If the answer is yes, kindly furnish full details of the arrangements that the medical aid fund broker has made to meet all its liabilities.

.....

.....

.....

.....

.....

8.5 Did the medical aid fund broker inform its Statutory Auditor of this notification?

Yes	
No	

8.6 If the answer is No, kindly explain.

.....

.....

.....

9. LIQUIDATOR'S DETAILS (IF APPLICABLE)

Full name(s) of Liquidator

Identity number of Liquidator

Appointed date of Liquidator

Completion date of Liquidation

Total assets at the date the Liquidator is appointed

Total liabilities at the date the Liquidator is appointed

Total assets on the final date of liquidation

Total liabilities on the final date of liquidation

10. ATTACHMENTS REQUIRED

- Letter requesting for cancellation/variation of conditions to NAMFISA
- Original certificate of registration (declaration under Oath where original lost)
- Proof of settlement or liabilities
- A certificate by the Statutory Auditor and Valuator stating that the medical aid fund broker has no liabilities (where there is liability, furnish further details as would be directed by NAMFISA)
- Copy of Board resolution for voluntary cancellation/variation decision
- Bank letter confirming the closure of the bank account(s) three (3) months after cancellation, if applicable
- Resolution for change of objectives
- Proof of communication in relation to 8.5
- Proof of communication to members/clients (if applicable)
- Proof of payment of the prescribed application fee.

11. DECLARATION OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSONS

I _____ ,
 (Full name of natural person acting on behalf of the applicant)

on behalf of the broker: _____
 (Name of broker)

hereby declare the following:

This application consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****GOVERNANCE OF MEDICAL AID FUNDS****Standard No. MAF.S.7.21**

*issued by NAMFISA under sections 344(1)(l), 410(2)(n) and 410(8)(ff) of the
Financial Institutions and Markets Act, 2021*

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “chairperson” means a trustee elected or designated by trustees as the chairperson of the board of trustees in terms of the rules of the fund;
 - (c) “conflict of interest” means a situation which the board, principal officer, employees or any other officers, auditor, valuator, fund administrator or any other service providers encounter, while rendering a financial service to the fund or its members if that situation –
 - (i) impairs the objectivity of the board, principal officer, employees or any other officers, auditor, valuator, fund administrator or any other service providers in any aspect while serving on the board or rendering a financial service to the fund or the members of the fund; or
 - (ii) prevents the board, principal officer, employee or any other officers, auditor, valuator, fund administrator or any other service providers from serving on the board or rendering a financial service to the fund or its members in an unbiased and fair manner or from acting in the best interest of the fund or the members of the fund;
 - (d) “independent trustee” means a trustee that meets the requirements of standard GEN.S.10.8 (Independence);
- (2) Words and phrases defined in the Act, have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following –
- (a) as defined in section 1 of the Act –
 - (i) actuary;
 - (ii) affiliate;
 - (iii) associate;
 - (iv) auditor;
 - (v) NAMFISA;
 - (vi) officer;
 - (vii) principal officer; and
 - (viii) valuator.

- (b) as defined in section 321 of the Act –
- (i) beneficiary;
 - (ii) board of trustees or board;
 - (iii) business of a fund;
 - (iv) fund or medical aid fund;
 - (v) fund administrator;
 - (vi) medical aid fund broker;
 - (vii) member;
 - (viii) rules; and
 - (ix) sponsor

Applicability

2. This Standard applies to all medical aid funds registered under the Act.
3. This Standard applies only to the extent that the subject matter dealt with in this standard is not dealt with specifically in the Act or regulations made by the Minister or standards issued by NAMFISA.

PART 1

GOVERNANCE BY THE BOARD

Board's ethical leadership responsibility

4. The Board must –
- (a) provide effective leadership based on an ethical foundation characterised by the ethical values of responsibility, accountability, fairness and transparency;
 - (b) ensure that the responsibilities of the board are consistent with the overriding objectives of the fund in accordance with section 343 of the Act;
 - (c) retain ultimate responsibility for the performance, conduct and governance of the fund, even though certain functions are delegated or outsourced to external service providers and the board may not abdicate from any of its functions and responsibilities;
 - (d) be responsible for developing the fund's ethical standards and such standards must inform all fund practices, procedures, policies and conduct;
 - (e) consider the effect of its decisions on all key stakeholders, the most notable being the members of the fund; and
 - (f) ensure that the fund's ethics performance is assessed, monitored, reported and disclosed in the fund's annual financial statements.

Board composition

5. Subject to the provisions of the Act, every board must consider whether its size, diversity and demographics make it effective and diverse.
6. Diversity of the board includes but is not limited to academic qualifications, technical expertise, relevant industry knowledge, experience, age, race and gender.

7. The board must collectively have the necessary qualification, knowledge and skills to oversee all the functions performed by a fund, and to monitor delegates and advisors to whom such functions have been delegated.
8. Notwithstanding the appointing authority or body, the board:
- (a) owes a primary duty of care to the fund and are not specifically accountable to or required to disclose any information to the appointing authority or body through whom they were appointed or elected as trustees; and
 - (b) must be sensitive to managing the diversity of the board effectively to ensure that any tension, fears, disagreements, influence, affiliations, special interest, or any other consideration do not hinder decision-making and ensure that the above is addressed in the code of conduct of the board.
9. The board of trustees must have the relevant minimum qualifications and expertise⁴ among them as necessary to provide effective oversight and leadership direction of the fund's business to ensure it is conducted in a sound and prudent manner and for this purpose –
- (a) the board must collectively and individually have, and continue to maintain, including through training, the necessary skills, knowledge and understanding of the fund's business to be able to fulfil their roles;
 - (b) while certain areas of expertise may lie in some, but not all, members, the collective board must have an adequate spread and level of relevant competencies and understanding as appropriate to the fund's business and the fulfilment of the board's duties in accordance with section 344 of the Act.
10. The board of trustees must have a full reporting structure, which includes the chairperson, principal officer and such other board of trustees as deemed appropriate.
11. The board of trustees must be comprised of persons that are Namibian citizens or foreign persons who are ordinarily resident in Namibia.

Board chairperson

12. The chairperson of the board must –
- (a) proactively and impartially lead the board, without bias in favour of any person, the employer, the administrator or any other service provider;
 - (b) proactively raise issues of concerns, on behalf of the board or the fund, with any person, employer, the administrator or any other service providers; and
 - (c) ensure that the performance of the board as a whole, board sub-committees and principal officer is reviewed and evaluated on a regular basis and to manage the performance of the board.

Orientation and training of trustees

13. New trustees must, at the expense of the fund, receive comprehensive training on both the legislative, regulatory and governance principles in order to equip them to effectively carry out their functions as trustees.

⁴Qualifications and relevant expertise as ascribed in Schedule 1 of the Standard.

14. The board must seek to enhance its knowledge, where relevant, via appropriate training programmes that meet the specific needs of both the fund and the individual trustees, as may be identified during the annual individual performance evaluation so as to enable the trustees to make the maximum contribution possible.

15. Trustees must receive regular briefings on matters relevant to the business of the fund, changes in risks and laws applicable to the business of the fund, including accounting standards and policies and the environment in which it operates.

Independence and conflicts of Interest

16. A member of the board, principal officer, employee or any other officers, auditor, valuator, administrator and any other service providers must report to the board any conflict of interest encountered during the performance of their duties.

17. There must be a clear identification and separation of operational and oversight responsibilities in the governance of the fund, and the segregation of duties must reflect the nature and extent of the governance risks faced by the fund;

18. The board must –

- (a) demonstrate their independence in the way they exercise any discretion and must not be influenced by inappropriate considerations;
- (b) always consider what is in the best interest of the fund and its beneficiaries;
- (c) ensure that appropriate controls exist to –
 - (i) promote the independence and impartiality of the board;
 - (ii) ensure the confidentiality of sensitive information pertaining to the fund and its beneficiaries, administrators and any other service providers; and
 - (iii) prevent the improper use of privileged or confidential information.
- (d) ensure that the administrators or any other service provider do not interfere or unduly influence the management of the fund.

Delegation of authority

19. The board must not abdicate their responsibility over the delegated functions.

20. Sub-committees of the board may be established to exercise a specific oversight responsibility or to carry out, where the rules of the fund permit it, any Board-delegated responsibility.

21. The terms of reference of a sub-committee of the Board must, as a minimum, cover:

- (a) composition of sub-committee;
- (b) objectives, purpose and functions;
- (c) delegated authorities, including the extent of power to make decisions or recommendations or both;
- (d) tenure; and

- (d) reporting mechanism to the board.

22. Every member of a sub-committee must be suitably skilled and experienced to serve on such sub-committee.

23. Each sub-committee must be required to advise the board on risks relating to the functions to be performed by that sub-committee, and the processes or controls necessary to mitigate such risk.

Filling of interim vacancies on the board

24. The board must fill interim vacancies in the manner prescribed by the rules of the fund, within a reasonable time from when the vacancy arose, pursuant to sections 342 of the Act.

Tenure of Office

25. To ensure independence and reduce the risk of familiarity, no trustee may serve for more than two (2) consecutive terms.

26. To ensure independence and reduce the risk of familiarity in respect of the auditor of the fund, the auditor must be appointed for a fixed period and the auditor may not serve for more than two (2) consecutive terms; and in the case the auditor is a firm of auditors, an audit partner may not be engaged for more than two (2) consecutive terms.

27. To ensure independence and reduce the risk of familiarity in respect of the valuator of the fund, the valuator be appointed for fixed period and a valuator may not serve for more than two (2) consecutive terms.

Rotation

28. The board must consider occasional rotation of members and of the chairs of sub-committees or tenure limits to serve on a sub-committee, to avoid undue concentration of power and promote fresh perspectives.

Internal audit

29. The board must consider whether the structure and operations of the fund would benefit from the introduction of an internal audit function.

30. Where the board decide to introduce an internal audit function, the board must ensure that –

- (a) there is an effective risk based internal audit function;
- (b) in the event that the internal audit function is outsourced, the board is ultimately responsible to oversee, manage, inform and take accountability for the effective functioning of the outsourced internal audit function;
- (c) the board must be ultimately responsible for the appointment, performance assessment and dismissal of the head of internal audit;
- (d) internal audit must pursue a risk based approach to planning as opposed to a compliance based approach that is limited to evaluation of adherence to procedures; and
- (e) internal controls must be established not only over financial matters, but also operational, compliance and sustainability matters in order to manage risks facing the fund.

Performance evaluation of board

31. The board must, at least annually, review its own performance to ascertain whether board members collectively and individually remain effective in discharging the respective roles and responsibilities assigned to them and identify opportunities to improve the performance of the board as a whole.
32. The board must implement appropriate measures to address any identified inadequacies, including any training programs for board members.
33. Subject to the Act, the board must ensure that –
- (a) an evaluation of the board, its sub-committees and individual trustees is performed annually against the board's determined role, functions, duties and performance criteria, as well as those for members of the board sub-committees;
 - (b) the past performance of a trustee must be taken into account when trustees are nominated for reappointment or re-election;
 - (c) evaluations must be conducted by the chairperson who must ensure that trustees know that they will be subject to evaluation, that they understand the criteria to be used for evaluation and that they understand the evaluation procedures that will be followed;
 - (d) The board must appoint an independent trustee, if any, from within its ranks to lead the process of the evaluation of the chairperson's performance and in the event that the board does not have an independent non-executive trustee, the evaluation of the chairperson must be led by at least 2 (two) trustees designated by the board; and
 - (e) the chairperson of the board or a committee appointed by the board, must evaluate the performance of the principal officer at least once a year.

PART 2**GOVERNANCE OF THE OPERATIONS OF THE FUND****Role of the board in setting the fund strategy**

34. The board must be involved in the determination and approval of the long-term and short-term strategies of the fund and monitor implementation thereof by management or the service provider to whom management services have been outsourced, if any.
35. Before approving the strategy, the board must ensure that the strategy is aligned with the Act and any relevant legislation, the purpose or object of the fund, the value drivers of the fund's business and the legitimate interests and expectations of the fund's stakeholders, especially the beneficiaries of the fund.
36. The board must identify key performance and risk areas as well as the associated performance and risk indicators and measures and this would include areas such as finance, ethics, conduct, compliance and sustainability.

Internal controls

37. The board must ensure that there are adequate internal controls in place to ensure that all persons and entities with operational and oversight responsibilities act in accordance with the objectives set out in rules of the fund, the Act and any other applicable law.

38. Internal controls must cover all basic organisational and administrative procedures; depending upon the scale and complexity of the fund, the internal controls must include performance assessment, compensation mechanisms, information systems and processes, risk and compliance management procedures.

39. Appropriate policies guiding governance and operations must be adopted and implemented by the board.

40. The oversight responsibility of the board requires that there must be –

- (a) regular assessments of the performance of the persons and entities involved in the operations of the fund in terms of service level agreements, mandates, and performance contracts;
- b) regular reviews of services and fees and all costs associated with the operations of the fund in order to ensure that they are appropriate;
- (c) a regular review of the information processes, operational software systems, and accounting and financial reporting systems involved in the operations of the fund;
- (d) the monitoring and resolution of actual, potential or perceived conflicts of interest amongst those involved in the operation of the fund;
- (e) the protection of confidential information of the fund; and
- (f) regular reviews of compliance with regulatory and statutory requirements of the fund.

Expert advice

41. Where a board lacks sufficient expertise to make a fully informed decision and fulfil its responsibilities, it may seek expert advice.

42. The board must satisfy itself that any expert advice obtained is independently given, and where any person provides expert advice in respect of any person, the administrator or any other service provider, the board must satisfy itself that such advice is not compromised by the relationship of that person or his or her firm to any person, the administrator or any other service provider as the case may be.

43. The board must assess and satisfy itself that any expert advice received is of quality and that it must verify that all its staff and service providers have adequate qualifications and experience. The board is not obliged to accept any advice but must consider the appropriateness of such advice.

Risk Management

44. Subject to the Act –

- (a) the board may assign oversight of the fund's risk management function to an appropriate board sub-committee;
- (b) the board must ensure that the frameworks and processes in place to assist in anticipating these risks have the following characteristics –
 - (i) insight - the ability to identify the cause of the risk, where there are multiple causes or root causes that are not immediately obvious;

- (ii) information - comprehensive information about all aspects of risks and risk sources, especially of financial risks;
- (iii) incentives - the ability to separate risk origination and risk ownership ensuring proper due diligence and accountability;
- (iv) instinct - the ability to avoid 'following the herd' when there are systemic and pervasive risks;
- (v) independence - the ability to view the fund independently from its environment; and
- (vi) interconnectivity - the ability to identify and understand how risks are related, especially when their relatedness might exacerbate the risk.

45. The board must have in place a risk management policy which must be reviewed regularly, but at least annually, and must include –

- (a) the identification of risks facing the fund;
- (b) the assessment of the likelihood of each such risk on the fund;
- (c) the assessment of the impact of each such risk on the fund;
- (d) the process or controls necessary to reduce the impact of such risks;
- (e) the monitoring of the risk process or controls to ensure that they are appropriate; and
- (f) the communication to the beneficiaries and the stakeholders of the fund's risk management policy, including the identification of the key risks and the processes or controls in place to manage them.

46. The board must ensure that the fund considers and implements appropriate risk responses.

47. The fund must identify and consider different ways that it can respond to the risks identified during the risk assessment process and these responses must be noted in a risk register.

48. The fund must be able to demonstrate that the risk management process provides for the identification and exploitation of opportunities to improve its performance.

49. The risks to be identified must not be limited to those which have a financial consequence, but must include risks which relate to the governance of the fund, and which may jeopardise the governance structure.

50. The fund is not expected to micro-manage the functions delegated to service providers, but those functions must, when delegated, contain sufficient detail to ensure that the service provider understands what is expected by the board and provide for reasonable right of recourse in the event that there is any breach of the delegated functions by the service provider.

51. The board must receive assurance regarding the effectiveness of the risk management process, for outsourced or delegated functions.

52. The board must ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders.

Fund expenses

53. The board must perform regular review of services, against set performance standards and fees and all costs associated with the operation of the fund in order to ensure that they are appropriate.

54. The board must ensure that the costs and expenses of the fund are managed efficiently.

PART 3**MANAGEMENT OF STAKEHOLDER RELATIONSHIPS****Fund information and access to fund information**

55. Subject to the Act, the board must ensure that –

- (a) trustees have unfettered access to all relevant information relating to the fund to enable them to make informed decisions;
- (b) all fund information is confidential and must not be released to any person unless such person has a lawful right to such information;
- (c) fund information such as its membership and investments belong to the fund and the board must ensure that where this information is held by a service provider, that the service provider will preserve its confidentiality and return the information to the fund when the relationship with the service provider is terminated;
- (d) the board must be the ultimate custodian of the corporate reputation and stakeholder relationships and the board must take account of and respond to the legitimate interests and expectations of stakeholders linked to the fund in its decision-making;
- (e) the board must ensure that stakeholder interests and expectations, even if not considered warranted or legitimate, must be dealt with and not ignored;
- (f) all communication from members, beneficiaries and other stakeholders must be responded to promptly by or on behalf of the board and with thoroughness and respect;
- (g) the board must communicate to stakeholders any ruling made against the fund by the appeal body, or financial services adjudicator, court rulings against the fund, regulatory issues raised by NAMFISA and all deviations from fund rules.

Information technology governance

56. The fund must understand the strategic importance of information technology and manage the associated risks, benefits and constraints and the responsibility for the information technology function must be assumed by the board.

57. Information technology must be aligned with the performance and sustainability objectives of the fund.

58. The board must ensure that information assets are managed effectively.

59. Where the administrative function of information technology is outsourced to a service provider, the board must obtain assurances and satisfy itself that the information technology risks are managed effectively by the service provider in accordance with best practise principles of information technology governance and risk management.

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****MANNER AND FORM OF APPLICATION FOR REGISTRATION
OF A FUND/SOCIETY ADMINISTRATOR****Standard No. ADM.S.8.1**

issued by NAMFISA under section 366(2)(a) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard unless the context indicates otherwise, including without limitation, the following-

(a) as defined in section 1 of the Act –

- (i) auditor;
- (ii) company;
- (iii) corporate body;
- (iv) document;
- (v) entity;
- (vi) NAMFISA; and
- (vii) principal officer.

(b) as defined in section 363 of the Act –

- (i) administration services;
- (ii) board;
- (iii) friendly society;
- (iv) fund administrator;
- (v) medical aid fund;
- (vi) retirement fund; and
- (vii) society administrator.

(c) as defined in standard GEN.S.10.20-

- (i) related party transaction.

Applicability

2. This Standard applies to all fund/society administrators applying for registration pursuant to section 366 of the Act (hereinafter referred to as “applicants”), and to their boards and principal officers.

Requirements for application of registration

3. An application for registration of a fund or society administrator must consist of a duly completed application letter, in the form of Schedule 1 to this Standard, as well as a duly completed application form, in the form of Schedule 2 to this Standard, duly signed by the principal officer in the case of an existing fund/society administrator, or by the interim principal officer in the case of a new fund/society administrator.

4. In addition to the application form referred to in clause 3, an application for registration must be accompanied by –

- (a) certified copies of the memorandum and articles of association, constitution, rules or other founding documents of the fund/society administrator;
- (b) adequate fidelity insurance policy, if applicable;
- (c) proof of payment of the prescribed registration/application fee;
- (d) the requirements contained in Standards GEN.S.10.2 (fit and proper requirements) and GEN.S.10.8 (Independence requirements);
- (e) any other documents that the applicant considers relevant or that NAMFISA may require; and
- (f) any other document and/or information that may be requested by the Authority as provided for in the Act.

5. Applicants must disclose information in the application forms (per attached Schedules) supported by the necessary accompanying documents.

6. (1) An application, not complete in all respects and not conforming to the instructions specified in this Standard and its Schedules, may be rejected on the basis of being non-compliant with this standard.

(2) In instances where the application is deemed incomplete, NAMFISA must give the applicant an opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

7. Notwithstanding clause 4, nothing shall prevent NAMFISA from seeking additional information and/or documents as may be reasonably necessary for processing of the application for registration.

8. The applicant or its duly authorised representative may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Documents to accompany application

9. The following documents must accompany the application –

- a. company status report (shareholders, board of directors, auditors, secretary etc), including declarations on all relationships or affiliations with medical aid funds' boards of trustees, principal officers and employees;
- b. where the applicant is part of a group, the applicant must submit its corporate and group structure, indicating the whole group;

- c. information on the type of related party transactions with and the relationships between all material entities within the group (if applicable), ownership, board and management and corporate governance structures;
- d. the applicant must also provide information to demonstrate the appropriateness of its systems of risk management and internal controls, including contracts with affiliates, outsourcing arrangements, information technology systems, policies and procedures.

10. Supporting schedules

The following supporting schedules are attached to and form part of this standard –

Schedule 1, Form A: APPLICATION LETTER FOR REGISTRATION AS A FUND/SOCIETY ADMINISTRATOR

Schedule 2, Form B: APPLICATION FORM FOR REGISTRATION AS A FUND/SOCIETY ADMINISTRATOR

SCHEDULE 1

FORM A

APPLICATION LETTER

(To be completed in duplicate)

APPLICATION FOR REGISTRATION AS A FUND ADMINISTRATOR OR SOCIETY ADMINISTRATOR (*Delete whichever not applicable*)

In terms of section 366 of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021) (“the Act”) –

1. I, the undersigned, being the principal officer or authorised person of
..... duly empowered thereto as per the annexure hereto⁵, hereby apply for the registration of the said company/entity as a fund/society administrator (delete the one not applicable) to carry out, in Namibia, the following administration services, as defined in terms of section 363 of the Act:

- (a)
- (b)
- (c)
- (d)
- (e)

2. I submit with this application all the required documents in terms of this Standard.

⁵Applicant to attach the original letter or document of authorisation

3. The proof of registration fee of N\$..... as determined in terms of Standard GEN.S.10.23 is enclosed with the application.

.....
Signature (principal officer or authorised person)

Date:

Place:

SCHEDULE 2

FORM B

APPLICATION FOR REGISTRATION AS A FUND/SOCIETY ADMINISTRATOR

I/ We the undersigned, do hereby apply for registration to carry on the business of administration services as defined in section 363 of the Financial Institutions And Markets Act, 2021 (Act No. 2 of 2021) ("the Act"), in Namibia as a fund administrator/society administrator (delete the one not applicable) in terms of section 366 of the the Act.

1. COMPANY/ENTITY INFORMATION

a) Name(s) of the Company:

b) Registration No:

c) Income Tax No.:

d) VAT No.:

e) Financial Year End:

2. COMPANY CONTACT DETAILS

a) Physical Address (Principal Office):

b) Postal Address:

c) Tel No.:

d) Fax No.:

e) Email Address:

f) Website:

3. APPOINTED PRINCIPAL OFFICER (PO)**(1) PERSONAL DETAILS**

First Names:

Surname:

ID / Passport No.:

Nationality:

Physical Address:

Postal Address:

Tel. Work:

Fax No:

Email Address:

(2) EMPLOYMENT HISTORY OF PO

Current Employer:

Date of Employment:

Position:

Previous Employer:

Period at previous employment:

Position at previous employment:

Experience as principal officer:

Experience in fund/society administration:

(3) EDUCATIONAL BACKGROUND OF PO**(a) Secondary Education**

School Name:

Highest Qualification obtained:

Year:

(b) Tertiary Education

College/University Name:

Highest Qualification Obtained:

Year:

(c) Additional Training Course (s)

Institution Name:

Qualification Obtained:

Year:

(d) Code of Conduct not older than 12 months/ Police Clearance Certificate No.:

4. DETAILS OF THE COMPANY'S AUDITORS

Name of Auditing firm:

Tel. No.:

Fax. No.:

Email Address:

Name of the professional regulatory body:

Membership No.:

5. BOARD OF DIRECTORS

Initials & Surname	Date appointed	Position

6. ATTACHMENTS

- (1) Proof of registration fee paid in terms of Standard GEN.S.10.23
- (2) Original Certified copies of the following latest and updated company documents: (every page of these documents to be certified, if applicable)
 - (a) Memorandum of Association (CM2), in duplicate and signed.
 - (b) Application for reservation of name (CM5)
 - (c) Articles of Association (CM44)

- (d) Certificate of Incorporation (CM1)
 - (e) Certificate to commence business (CM46)
 - (f) Certificate of change of name of company (CM9)
 - (g) Notice of registered office (CM22)
 - (h) Contents of Directors register (CM29)
 - (i) Special Resolutions with regard to above company documents (CM26)
 - (j) Notice of consent to appoint, change of name or resignation of auditor or removal of auditor (CM31)
- (3) List of Directors (and all requirements as listed below for key persons)
 - (4) Detailed List of Shareholders & shareholding structure (Group Structure) up to the ultimate natural person/Trust in the group (with 20% shares or more)
 - (5) Trusts within the shareholding structure (Group Structure where the Trust owns 20% shares or more, the applicant must provide original certified copies of)⁶:
 - Trust deed indicating the names of the beneficiaries;
 - Trust certificate from Master of the High Court clearly indicating natural person trustees
 - (6) Certified copy of Shareholders Agreements (between applicant and its direct shareholders)
 - (7) Certified copies of Share Certificates (valid and cancelled) (direct shareholders of applicant)
 - (8) Certified copy of Proof of Required Paid-up Share Capital (applicant's Bank statement clearly indicating capital funds received)
 - (9) Certified copy of detailed information on sources of funds (original sources of how funds/income is generated/obtained e.g. dividends pay out, Board Resolution, fund/investments statements, contract agreement validating income)
 - (10) Certified copy of Municipality Certificate of Registration or /of Fitness
 - (11) Certified copy of Financial Intelligence Act 13 of 2012 (FIA) compliance policy of the applicant
 - (12) Completed FIA compliance questionnaire (The questionnaire should be initialled on each page by a Commissioner of Oaths, or Notary Public if applicant is residing outside Namibia)⁷
 - (13) Business plan with at least a five year cashflow projection
 - (14) List of funds/societies that the administrator intends to provide administration services to
 - (15) Declaration of related party relationships, if any

²where minority shareholders have influence, documents may also be requested.

³No in-house commissioners are allowed in terms Regulation 7 of Justices of Peace and Commissioners of Oaths Act, 1963 (Act No. 16 of 1963).

Principal officer (PO)

- (16) Abridged Curriculum Vitae of principal officer
- (17) Address of principal officer
- (18) Certified copy of Residence Permit or work permit, if not Namibian
- (19) Certified Police Clearance Certificate or receipt for application thereof

- (20) Certified copy(ies) of Educational Qualifications
- (21) Certified copy(ies) of Identity Document /Passport

Key persons⁸ (including Director(s), Shareholder(s), CEO and Senior Management⁹)

- (22) Abridged Curriculum Vitae(s) (CV) of Key persons (natural persons)
- (23) Certificate of service for Directors (applicable for applicant with past experience only)
- (24) Certified copies of each Key person's Identity Document /Passport (natural persons)
- (25) Certified copies of each Key person's Educational Qualifications (natural persons)
- (26) Copy of each Key person's proof of residence or work permit (where applicant resides outside Namibia)
- (27) Certificate of Conduct (COC) / Police clearance certificate or receipt for application thereof
- (28) Declaration of related party relationships, if any

⁴Key persons are those individuals with the ability to control a regulated institution in terms of AML and/or those individuals holding more than 20% of the company's voting rights, or who hold senior management positions, e.g. CEO, etc.

⁵Senior Management include executives responsible for Finance, Administration, Claims etc.

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****FORM OF CERTIFICATE OF REGISTRATION FOR A FUND
AND SOCIETY ADMINISTRATOR****Standard No. ADM.S.8.2**

issued by NAMFISA under section 368(3) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the terms “fund administrator” and “society administrator” as defined in section 363 of the Act.

Applicability

2. This Standard applies to all fund administrators and society administrators registered under the Act.

Form of certificate of registration

3. Upon registration of an applicant as a fund administrator or a society administrator, NAMFISA must issue to such administrator a certificate of registration in the form of Annexure A to this Standard.

ANNEXURE A

Registration No

CERTIFICATE OF REGISTRATION

Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021)

REGISTRATION AS A FUND/SOCIETY ADMINISTRATOR

This is to certify that

with principal office: _____

has been duly registered in terms of section 368(1) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and may operate from the following places within Namibia:

Chief Executive Officer

Date of Registration
Period of validity

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 (Act No. 2 of 2021)****MANNER AND FORM OF APPLICATION FOR CANCELLATION OR VARIATION
OF REGISTRATION OF A FUND OR SOCIETY ADMINISTRATOR****Standard No. ADM.S.8.3**

issued by NAMFISA under section 370(2)(a) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.

(2) Words and phrases defined in the Act have the same meaning in this Standard unless the context indicates otherwise, including without limitation, the following –

(a) as defined in section 1 of the Act –

- (i) auditor;
- (ii) Companies Act;
- (iii) NAMFISA; and
- (iv) principal officer.

(b) as defined in section 363 of the Act –

- (i) administration services;
- (ii) board;
- (iii) friendly society;
- (iv) fund administrator;
- (v) medical aid fund;
- (vi) retirement fund; and
- (vii) society administrator.

Applicability

2. This Standard applies to all registered fund/society administrators (hereinafter referred to as “applicants”) applying for cancellation of its registration or for the variation of the conditions subject to which registration was granted pursuant to section 370 of the Act.

Requirements for application of cancellation or variation of conditions for registration

3. An application for cancellation of registration or variation of the conditions for registration pursuant to section 370 of the Act must be submitted to NAMFISA in accordance with this Standard.

4. Pursuant to sub-section 370(2) of the Act, an applicant that intends to apply for the cancellation of its registration granted pursuant to section 368, or variation of the conditions subject to which that registration was granted, must –

- (a) apply to NAMFISA, in writing, in accordance with the form set out in Schedule 1, FORM A, titled Application letter;

- (b) complete the form and furnish particulars as set out in Schedule 2, FORM B, titled Application for cancellation/variation of registration granted pursuant to section 370 of the Act;
- (c) file with NAMFISA, as proof, a copy of the notice published in terms of section 370(3) of the Act;
- (d) provide a copy of the resolution on the decision to cancel its registration or vary the conditions for which it was registered pursuant to section 368 of the Act;
- (e) provide proof of payment of the application fee; and
- (f) provide any other information and documents that NAMFISA may, from time to time, reasonably require.

5. The applicant, its principal officer or a duly authorised person may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Notice

6. The applicant must, before filing the notice in the newspapers in terms of section 370(3) of the Act and clause 4(c), notify NAMFISA of the proposed intention to cancel the registration or to vary the conditions for which it was registered.

7. The applicant may, after NAMFISA has considered all objections received due to the published notice referred to in section 370(3) of the Act and clause 4(c), lodge an application with NAMFISA.

General requirements

8. An applicant must further specify the measures that the applicant shall take to discharge all its obligations, including contractual obligations and agreements with retirement funds, medical aid funds and friendly societies, and meet all of its liabilities.

9. No registered fund/society administrator shall voluntarily wind-up or cease administration services business operations without the prior written approval of NAMFISA.

10. An application, not complete in all respects and not conforming to the instructions specified in Schedule 2 and this Standard, may be rejected on the basis of non-compliance with this Standard.

11. In instances where the application is deemed not complete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within 7 working days, failing which the application shall be rejected.

Application fee

12. An application must be accompanied by the required non-refundable fee as stipulated in terms of Standard GEN.S.10.23.

Submission

13. An application for cancellation of registration or for variation of the conditions subject to which it was registered must be completed in hard copies, signed by the principal officer of the registered fund/society administrator or a duly authorised representative of the applicant, and submitted manually and electronically to NAMFISA together with supporting documents.

Effect of cancellation of registration

14. On and from the date of cancellation of the registration, the fund/society administrator shall cease to act as a fund/society administrator.

SUPPORTING SCHEDULES

15. The following supporting schedules are attached to and form part of this Standard:

Schedule 1: FORM A - Application letter

Schedule 2: FORM B - Application for cancellation of registration or variation of conditions of registration of a fund/society administrator.

SCHEDULE 1**FORM A****APPLICATION LETTER**

(To be completed in duplicate)

APPLICATION BY REGISTERED FUND/SOCIETY ADMINISTRATOR FOR CANCELLATION OF REGISTRATION/VARIATION OF CONDITIONS GRANTED PURSUANT TO SECTION 370 OF THE ACT

In terms of section 370(2) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021 (“the Act”)) –

1. I, the undersigned, being the principal officer or duly authorised person of
..... duly empowered thereto, hereby apply for
 - the voluntary cancellation of registration of the said registered fund/society administrator, in terms of section 370(2) of the Act; or
 - the variation of conditions subject to which the administrator was registered pursuant to section 368 of the Act;
2. I submit with this application all the required documents as per Standard ADM.S.8.3; and
3. The proof of payment of the application fee of N\$ as prescribed in Standard GEN.S.10.23 is enclosed with the application.

Principal officer or duly authorised person

Full names:

Signature:

Date:

Place:

SCHEDULE 2**FORM B****APPLICATION FOR CANCELLATION/VARIATION OF REGISTRATION GRANTED
PURSUANT TO SECTION 370 OF THE ACT****1. FUND/SOCIETY ADMINISTRATOR**

Full Name (of administrator)

NAMFISA Registration Number

2. CONTACT DETAILS

Physical address:

Postal address:

Tel. Work:

Cell. No:

Fax No:

Email:

3. DETAILS OF BOARD OF DIRECTORS

Name	Nationality	Elected/Appointed

Name of the Board Chairperson:

Board sub-committees	Name of Chairperson(s) of sub-committee(s)

4. NAME OF STATUTORY AUDITOR

.....

5. NAME OF STATUTORY VALUATOR (if applicable)

.....

6. BOARD RESOLUTION

6.1 Date when the special resolution was passed

6.2 Effective date of cancellation or variation

6.3 Furnish full reason(s) why the special resolution in question 7.1 was passed

.....

6.4 Was the dissolution effected in terms of the articles of incorporation and the Companies Act? (Please attach a report on how the entity have discharged its responsibilities in terms of the articles of association and the Companies Act)

.....

7. CANCELLATION/VARIATION SPECIFIC INFORMATION

7.1 Is the fund/society administrator cancelling its registration, or varying its conditions for registration?

Cancellation	
Variation	

7.2 In case of variation of conditions for registration, please indicate the conditions for which variation is sought below.

.....

.....

.....

.....

.....

7.3 Does the fund/society administrator have any liabilities at the time of cancelling/variation?

Yes	
No	

7.4 If the answer is yes, kindly furnish full details of the arrangements that the fund/society administrator has made to meet all its liabilities.

.....

.....

.....

.....

.....

7.5 Did the fund/society administrator inform its Statutory Auditor of this notification?

Yes	
No	

7.6 If the answer is No, kindly explain.

.....

.....

.....

.....

.....

8. LIQUIDATOR'S DETAILS (IF APPLICABLE)

Full name(s) of Liquidator

Identity number of Liquidator

Appointed date of Liquidator

Completion date of Liquidation

Total assets at the date the Liquidator is appointed.

Total liabilities at the date the Liquidator is appointed

Total assets on the final date of liquidation

Total liabilities on the final date of liquidation

9. ATTACHMENTS REQUIRED

- Letter requesting for cancellation/variation of conditions to NAMFISA
- Original certificate of registration (declaration under Oath where original lost)
- Proof of settlement or liabilities
- A certificate by the Statutory Auditor stating that the fund/society administrator has no liabilities (where there is liability, furnish further details as would be directed by NAMFISA)
- Copy of Board resolution for voluntary cancellation/variation decision
- Bank letter confirming the closure of the bank account(s) three (3) months after cancellation, if applicable
- Resolution for change of objectives
- Proof of communication in relation to 7.5
- Proof of communication to members/clients (if applicable)
- Proof of payment of the prescribed application fee
- Confirmation from clients (funds/societies) serviced during the last year that a proper handover was done, including the following:
- (a) All client documents in possession of the administrator have been handed over;
 - (b) Access by administrator to all bank/investment accounts of client have been removed;
 - (c) All members have been informed of change of administrator;
 - (d) All other relevant service providers (e.g. investment managers) have been informed of change of administrator.

10. DECLARATION OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSONS

I _____,
 (Full name of natural person acting on behalf of the applicant)

on behalf of the administrator: _____
 (Name of administrator)

hereby declare the following:

This application consists of _____ pages, each initialled by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe to be not true, I may be liable for prosecution.

I undertake that, as long as I continue to be a board member and/or principal officer or a duly authorised person of the institution, I will notify NAMFISA of any material changes to, or affecting the completeness or accuracy of, the information supplied to NAMFISA as soon as possible, but not later than 30 days from the day that the changes come to my attention.

I know and understand the content of this declaration. I do not have objections to taking the prescribed oath. I consider the prescribed oath to be binding on my conscience.

SIGNATURE OF DEPONENT

I certify that the above declaration was taken by me and that the deponent has acknowledged that he/she knows and understands the content of this declaration. This declaration was sworn to/affirmed before me and the deponent's signature was placed hereon in my presence, at

_____ on _____.

COMMISSIONER OF OATHS/NOTARY PUBLIC

FULL NAMES: _____

EX OFFICIO: _____

AREA: _____

ADDRESS: _____

(Please note: All pages are to be initialled by Commissioner of Oaths/Notary Public)

The Fiduciary Responsibilities of Financial Institutions and Financial Intermediaries and of Their Directors, Members of Boards, Principal Officers and Other Officers

Standard GEN. 10-18

made by NAMFISA under section 410(2)(cc) of the Financial Institutions and Markets Act, 2021

THE FIDUCIARY RESPONSIBILITIES OF FINANCIAL INSTITUTIONS AND
FINANCIAL INTERMEDIARIES AND OF THEIR DIRECTORS, MEMBERS OF BOARDS,
PRINCIPAL OFFICERS AND OTHER OFFICERS

(1) Citation of Standard

This Standard may be cited as Standard GEN. 10-18.

(2) Interpretation of Standard

This Standard applies to all financial institutions and financial intermediaries, and to their functionaries.

(3) Fiduciary Requirements

- (1) All financial institutions and financial intermediaries and their functionaries owe a fiduciary duty to existing or potential clients and investors.
- (2) A Financial institutions and financial intermediaries must:
 - (a) act at all times in the best interest of clients or investors;
 - (b) disclose to the client or investor all material information before entering into a transaction or relationship with the client or investor;
 - (c) avoid conflicts of interest in respect of clients or investors; and
 - (d) ensure that their functionaries act in accordance with the requirements of this Standard.

(4) Functionary

- (1) A functionary of a financial institution or financial intermediary must:
 - (a) act in the best interest of clients or investors;
 - (b) keep client or investor information confidential;
 - (c) avoid conflicts of interest or manage unavoidable conflicts of interest with respect to the financial institution or financial intermediary concerned and its clients or investors;
 - (d) fully and factually disclose all dealings with the financial institution, financial intermediary or other persons that may cause conflicts of interest with respect to clients or investors;

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 (Act No. 2 of 2021)**Definition of related party transactions and identifying those that are prohibited****Standard No. GEN.S.10.20**

issued by NAMFISA under section 410(2)(o) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) (a) In this Standard –

“Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act, and the standards and other subordinate measures issued under the Act; and

(b) words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following as defined in section 1 of the Act –

- (i) affiliate;
- (ii) associate;
- (iii) director; and
- (iv) entity.

(2) For the purposes of this Standard, a party is related to another entity or person if the party is–

- (a) an affiliate of the entity or an associate of the entity or person;
- (b) a member of the key senior management personnel of the entity or person;
or
- (c) considered to be controlled by the entity or person pursuant to section 3 of the Act.

Applicability

2. This Standard applies to all directors of financial institutions and financial intermediaries registered under the Act.

Meaning of the term

3. The term “related party transactions” is defined to mean transactions involving the transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Prohibited related party transactions

4. Conflict of interest would potentially arise from related party transactions, especially if the transaction is significant.

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021****DEFINITION OF RELATED PARTY TRANSACTIONS AND IDENTIFYING
THOSE THAT ARE PROHIBITED****Standard No. GEN.S.10.20**

issued by NAMFISA under section 410(2)(o) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
- (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and includes the regulations prescribed under the Act, and the standards and other subordinate measures issued under the Act; and
 - (b) words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following as defined in section 1 of the Act –
 - (i) affiliate;
 - (ii) associate;
 - (iii) director; and
 - (iv) entity.
- (2) For the purposes of this Standard, a party is related to another entity or person if the party is –
- (a) an affiliate of the entity or an associate of the entity or person;
 - (b) a member of the key senior management personnel of the entity or person;
- or
- (d) considered to be controlled by the entity or person pursuant to section 3 of the Act.

Applicability

2. This Standard applies to all directors of financial institutions and financial intermediaries registered under the Act.

Meaning of the term

3. The term “related party transactions” is defined to mean transactions involving the transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Prohibited related party transactions

4. Conflict of interest would potentially arise from related party transactions, especially if the transaction is significant.
