



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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General Notice

NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

No. 334 2025

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

The draft Standards FM.S.3.10, FM.S.3.13, FM.S.3.14, CIS.S.4.19, GEN.S.10.3, GEN.S.10.4, GEN.S.10.5 and GEN.S.10.28, 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 30 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

K. MATOMOLA
CHIEF EXECUTIVE OFFICER
NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

SCHEDULE 1**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
FINANCIAL MARKETS GOVERNANCE****Standard No. FM.S.3.10**

issued by NAMFISA under sections 410(2)(n) and 410(4)(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. 2 of 2021), and it must be read with 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 which a director, key person, auditor or other service provider encounters, while rendering a financial service to a client, if that situation –
 - (i) impairs the objectivity of the director, key person, auditor or other service provider in any aspect of rendering the financial service to the client; or
 - (ii) prevents a director, key person, auditor or other service provider 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) “key person” means any person responsible for managing or overseeing, either alone or together with another responsible person, the activities of a regulated entity, and includes those individuals or other entities holding more than 20% of a regulated entity’s voting rights;
 - (d) “non-executive director” means an individual not involved in the day-to-day management and operations of a regulated entity or its subsidiaries;
 - (e) “regulated entity” means any of the following entities registered under Chapter 3 of the Act:
 - (i) authorised user;
 - (ii) central securities depository;
 - (iii) exchange;
 - (iv) investment manager;
 - (v) linked investment service provider;
 - (vi) nominee company;
 - (vii) participant;
 - (viii) securities advisor;

- (ix) securities clearing house;
 - (x) securities dealer;
 - (xi) securities ratings agency;
 - (xii) self-regulatory organisation; or
 - (xiii) stockbroker; and
- (f) “senior management” means a team of individuals at the highest level of a regulated entity who are involved in the day-to-day responsibilities of managing the regulated entity and who hold specific executive powers conferred onto them, with and by authority of the board of the regulated entity.
- (2) A party is related to a regulated entity if the party is –
- (a) an affiliate of, or an associate of, a regulated entity;
 - (b) in a joint venture with the regulated entity;
 - (c) a member of the senior management of the regulated entity; or
 - (d) considered to be controlled by the regulated entity, pursuant to section 3 of the Act.
- (3) 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) board;
 - (iii) director;
 - (iv) NAMFISA; and
 - (v) principal officer; and
 - (b) as defined in section 78 of the Act –
 - (i) authorised user;
 - (ii) central securities depository;
 - (iii) exchange;
 - (iv) investment manager;
 - (v) linked investment service provider;
 - (vi) nominee;
 - (vii) participant;

- (viii) securities advisor;
- (ix) securities clearing house;
- (x) securities dealer;
- (xi) securities rating agency;
- (xii) self-regulatory organisation; and
- (xiii) stockbroker.

Applicability

- 2. This Standard applies to all regulated entities.
- 3. This Standard must be read with the provisions in the following Standards:
 - (a) Standard No. GEN.S.10.2 – Fit and Proper Requirements;
 - (b) Standard No. GEN.S.10.8 – Independence of directors, members of a board, trustees, custodians, auditors and of any other person required to be independent under the Act;
 - (c) Standard No. GEN.S.10.9 – Code of Conduct; and
 - (d) Standard No. GEN.S.10.20 – Definition of related party transactions and identifying those that are prohibited under the Act.

PART 1: GOVERNANCE BY THE BOARD

Board's ethical leadership responsibility

- 4. The board of a regulated entity 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 regulated entity;
 - (c) retain ultimate responsibility for the performance, conduct and governance of the regulated entity, 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 regulated entity's ethical standards, and such standards must inform all practices, procedures, policies and conduct of the regulated entity;
 - (e) consider the effect of its decisions on all key stakeholders of the regulated entity; and
 - (f) ensure that the regulated entity's ethics performance is assessed, monitored, reported and disclosed in the regulated entity's annual financial statements.

Board composition

5. (1) The board of a regulated entity must consist of both executive and non-executive directors, and a chairperson must be duly appointed.

(2) The board must have a balanced power structure, with one-third of its members being independent directors.

(3) The board should be assisted by a competent, suitably qualified and experienced company secretary.

6. The board of a regulated entity must have necessary qualifications, knowledge, skills and expertise to effectively lead, direct and oversee the regulated entity'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, necessary skills, knowledge and understanding of the regulated entity's business to be able to fulfil their roles;
- (b) the board must have knowledge and skills required for effectively governing a regulated entity, finance, accounting, the role of control functions, investment analysis and portfolio management, and obligations relating to fair treatment of customers; and
- (c) 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 regulated entity's business.

7. The board must have a reporting structure, which includes the chairperson and such other board members as deemed appropriate.

Board chairperson

8. The chairperson of the board must –

- (a) proactively and impartially lead the board, ensuring that the principle of collective responsibility for board decisions is upheld, while at the same time being aware of the individual duties of board members;
- (b) be independent within the meaning of this Standard;
- (c) proactively raise issues of concerns on behalf of the board;
- (d) ensure that the performance of the board as a whole, board committees and the principal officer is reviewed and evaluated on a regular basis, and must manage the performance of members of the board; and
- (e) preside over board meetings and ensuring that time in meetings is used productively.

Independence and conflict of interest

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

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

11. The board must –

- (a) demonstrate their independence in the way they exercise any discretion;
- (b) always consider what is in the best interest of the regulated entity;
- (c) ensure that appropriate controls exist to –
 - (i) promote the independence and impartiality of the board;
 - (ii) ensure that confidential or privileged information in the possession or under the control of the regulated entity is protected and must only disclose such information as permitted in terms of the law or with the express consent of the relevant person; and
 - (iii) prevent the improper use of privileged or confidential information; and
- (d) ensure that the any service provider do not unduly influence the management of the regulated entity.

12. In addition to the meaning assigned to the term “independent” in Standard No. GEN.S.10.8 – The independence of directors, members of a board, trustees, custodians, auditors and of any other person required to be independent under the Act, for purposes of this Standard “independent director” means a director who –

- (a) has not been employed by the regulated entity in any executive capacity or senior management within the preceding three years;
- (b) is not associated to an adviser or consultant to the regulated entity;
- (c) is not a material customer or supplier of the regulated entity or has a personal service contract(s) with the regulated entity or a member of the regulated entity’s senior management;
- (d) is not an associate of the regulated entity or a related party;
- (e) is not an entity that receives significant contributions from the regulated entity;
- (f) has not had any business relationship with the regulated entity (other than service as a director) for which the regulated entity has been required to make disclosure within the preceding three years;
- (g) is not employed by a public listed company or an unlisted company at which an executive officer of the regulated entity serves as a director;
- (h) is not a member of the immediate family of any person described in paragraphs (a) to (g); or
- (i) has not had any of the relationships described in paragraphs (a) to (g) with any affiliate of the regulated entity.

13. An independent director must not be an employee of a regulated entity or an employee of a related party.

14. An independent director of a holding company or a related party is not deemed or considered independent of a subsidiary within the group.

Orientation and training of directors

15. New directors must, at the expense of the regulated entity, receive training on both the legislative, regulatory and governance principles to equip them to effectively carry out their functions as directors.

16. The board must seek to enhance its knowledge, where relevant, via appropriate training and training programmes that meet the specific needs of the regulated entity and the individual directors, as may be identified during the annual individual directors' performance evaluation.

17. Directors must receive regular briefings on matters relevant to the business of the regulated entity, changes in risks and laws applicable to the business of the regulated entity, including accounting standards and policies, and the environment in which it operates.

Performance evaluation of board

18. 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.

19. The board must implement appropriate measures to address any identified inadequacies, including any training programmes for continuous development of board members.

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

- (a) the evaluation of the board, its committees and individual directors is performed annually against the board's determined roles, functions, duties and performance criteria, as well as those for members of board committees;
- (b) the past performance as a board member must be taken into account when directors are nominated for re-appointment or re-election;
- (c) evaluations must be conducted by the chairperson who must ensure that directors 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, except the principal officer must evaluate the chairperson's performance; and
- (e) the chairperson of the board, or a committee appointed by the board, must evaluate the performance of the principal officer at least annually.

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

22. The board may consider the use of external expertise from time to time to undertake its performance assessment where appropriate to enhance the objectivity and integrity of that assessment process.

Internal audit

23. The board must consider whether the structure and operations of the regulated entity would benefit from the introduction of an internal audit function.

24. Where the board decides 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 is ultimately responsible for the appointment and performance assessment 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 to prevent, eliminate or manage risks faced by the regulated entity.

Board Committees

25. Pursuant to section 398 of the Act, the regulated entity's board must set up the committees necessary for the performance of the following functions, but not limited to –

- (a) audit;
- (b) investment;
- (c) risk management;
- (d) ethics;
- (e) nomination and remuneration; and
- (f) information technology.

26. (1) The board must put in place the minimum mandatory policies, board structures and board committees that the regulated entity is required to have to enforce compliance.

(2) Pursuant to sub-clause (1), the policies must comprise of the following, but not limited to –

- (a) investment management;
- (b) risk management;
- (c) conflict of interest;
- (d) complaints management;

- (e) information technology;
- (f) remuneration; and
- (g) code of conduct.

Delegation of authority

27. The board must not abdicate their responsibility over, including in respect of, delegated functions.

28. Committees of the board may be established to exercise a specific oversight responsibility or to carry out any board-delegated responsibility.

29. The terms of reference of a committee of the board must, as a minimum, cover –

- (a) composition of the 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.

30. Every member of a committee must, as far as is reasonably possible, be suitably skilled and experienced to serve on such committee.

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

Tenure of office and appointment

32. (1) To ensure independence and reduce the risk of familiarity, no non-executive director may serve for more than three consecutive terms, and the tenure for one term may not exceed a period of three years.

(2) After serving the maximum of three consecutive terms, a minimum period of at least three years must lapse before the same person may be appointed as a non-executive director again.

33. (1) To ensure independence and reduce the risk of familiarity in respect of the auditor of the regulated entity, the auditor must be appointed for a fixed period and –

- (a) the auditor may not serve for more than five consecutive years; and
- (b) the auditor must comply with the partner rotation requirements prescribed by the Code of Ethics issued by the International Ethics Standards Board for Accountants.

(2) After serving as the auditor for the maximum period of five consecutive years, a minimum period of at least three years must lapse before the same auditor may be appointed again.

Rotation

34. The board must establish an arrangement for periodic, staggered rotation of directors and chairpersons of committees or tenure limits to serve on a committee by introducing members with

new expertise and perspectives while retaining valuable knowledge, skills and experience and maintaining continuity to avoid undue concentration of power and promote fresh perspectives.

Filling of vacancies on the board

35. The board must fill vacancies, inclusive of interim vacancies, in the manner prescribed by the rules of the regulated entity within a reasonable time from when the vacancy arose.

PART 2: GOVERNANCE OF THE OPERATIONS OF THE REGULATED ENTITY

Role of the board in setting the regulated entity strategy

36. The board must be responsible for the determination and approval of the long-term and short-term strategies of the regulated entity and monitor implementation therewith by management or the service provider to whom services have been outsourced, if any.

37. 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 regulated entity, the value drivers of the regulated entity's business and the legitimate interests and expectations of the regulated entity's stakeholders.

38. 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

39. 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 regulated entity, the Act and any other applicable law.

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

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

42. 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 regulated entity 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 regulated entity 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 regulated entity;
- (d) the monitoring and resolution of actual, potential or perceived conflict of interest amongst those involved in the operation of the regulated entity;
- (e) the protection of confidential information of the regulated entity; and

- (f) regular review of compliance with regulatory and statutory requirements of the regulated entity.

Expert advice

43. Where the board lacks sufficient expertise to make fully informed decisions and to fulfil its responsibilities, it may seek expert advice.

44. 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, the board must satisfy itself that such advice is not compromised by the relationship of that professional or their firm to that service provider.

45. The board must assess and satisfy itself that any expert advice received is of quality, 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

46. Subject to the Act –

- (a) the board may delegate oversight of the regulated entity's risk management function to an appropriate board 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 regulated entity 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.

47. The board must have in place a risk management policy which must be reviewed regularly, but at least every two years, and must include –

- (a) the identification of risks facing the regulated entity;
- (b) the assessment of the likelihood of each such risk on the regulated entity;
- (c) the assessment of the impact of each such risk to the regulated entity;
- (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 stakeholders of the regulated entity's risk management policy, including the identification of the key risks and the processes or controls in place to prevent, eliminate or manage them.

48. The board must ensure that the regulated entity considers and implements appropriate risk responses.

49. The regulated entity 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.

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

51. 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 regulated entity, and which may jeopardise the governance structure.

52. The regulated entity 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 if there is any breach of the delegated functions by the service provider.

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

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

Regulated entity expenses

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

56. The board must ensure that the costs and expenses of the regulated entity are managed efficiently.

PART 3: MANAGEMENT OF STAKEHOLDER RELATIONSHIPS

Regulated entity information and access to regulated entity information

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

- (a) directors have unfettered access to all relevant information relating to the regulated entity to enable them to make informed decisions;
- (b) all regulated entity information is confidential and must not be released to any person unless such person has a lawful right thereto, and where this information is held by a service provider, the service provider will preserve its confidentiality and return the information to the regulated entity when the relationship with the service provider is terminated;
- (c) the board is 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;

- (d) stakeholder interests and expectations, even if not considered warranted or legitimate, must be dealt with and not ignored; and
- (e) all communication with stakeholders must be responded to promptly by or on behalf of the board and with thoroughness.

Information technology governance

58. The regulated entity 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.

59. Information technology must be aligned with the performance and sustainability objectives of the regulated entity.

60. The board must ensure that information and information technology assets are managed effectively.

61. Where the administrative function of information technology is outsourced to a 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 practice principles of information technology governance and risk management.

62. The risk or audit function must consider information technology risk as a crucial element of the effective oversight of the risk management of the regulated entity.

63. In understanding and measuring information technology risks, the risk or audit function must understand the regulated entity'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.

Reporting

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

Disclosure

65. The board must disclose relevant information to relevant persons, notably employees, clients, supervisory authorities and auditors, in a clear, accurate and timely manner.

Non-compliance

66. NAMFISA may take appropriate enforcement action in terms of Part 6 of Chapter 10 of the Act for non-compliance with this Standard.

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021**FINANCIAL MARKETS MANNER AND FORM OF APPLICATION FOR RECOGNITION
AS A SELF-REGULATORY ORGANISATION PURSUANT TO SECTION 136(2)****Standard No. FM.S.3.13**

issued by NAMFISA under section 410(2)(c), read with section 136, 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 it must be read with the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “key person” means the directors, members of a board, principal officers, officers, trustees, custodians, auditors, valuers, and includes those individuals or other entities holding more than 25% of the financial institution or financial intermediary’s voting rights; and
 - (c) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions or financial intermediaries.
- (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; and
 - (vi) public company.
 - (b) as defined in section 78 of the Act –
 - (i) recognised self-regulatory organisation; and
 - (ii) self-regulatory organisation.

Applicability

2. This Standard applies to a public company applying for recognition as a self-regulatory organisation in terms of sections 136(1) and (2) of the Act (hereinafter referred to as “applicant”).

3. An application for recognition as a self-regulatory organisation must be made to NAMFISA in accordance with clause 4.

Particulars to be furnished upon application

4. An application for recognition as a self-regulatory organisation must be –

- (a) in writing, and provide the particulars as specified in the Schedule, Application form for recognition as a self-regulatory organisation pursuant to section 136 of the Act;
- (b) signed by a person duly authorised to represent the applicant;
- (c) accompanied by proof of registration as a Namibian company with the Registrar of Companies (BIPA) (CM 1 form);
- (d) accompanied by its Memorandum and Articles of Association (CM 2 and CM 44 forms);
- (e) accompanied by a Certificate to commence business (CM 46 form);
- (f) accompanied with the details of all directors (CM 29 form);
- (g) accompanied by the relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements;
- (h) accompanied by the applicant's company organogram and confirmation of operational systems;
- (i) accompanied by bank confirmation letter from its banking institution;
- (j) accompanied with details of its nominee company (if applicable);
- (k) accompanied by a board resolution authorising the applicant's representative to apply for recognition on behalf of the applicant;
- (l) accompanied by a detailed business plan, and if the company is already operational, audited financial statements for the past three years;
- (m) accompanied at minimum by proof of sufficient paid-up capital and unimpaired reserves for the proper exercise or carrying out the powers and duties as a recognised self-regulatory organisation;
- (n) accompanied by a Tax Certificate from the Namibia Revenue Agency (NamRA);
- (o) accompanied by a certified copy of the appointment letter of the applicant's auditor; and
- (p) accompanied by proof of payment of the required application fee.

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

6. (1) An application incomplete in all respects and not conforming to the instructions specified in the Schedule 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 days, or such other period stipulated or agreed to by NAMFISA, 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 recognition.

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.

Submission

9. (1) An application for recognition 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 SCHEDULE

The following supporting schedule is attached to and forms part of this Standard:

SCHEDULE: APPLICATION FORM FOR RECOGNITION AS A SELF-REGULATORY ORGANISATION PURSUANT TO SECTION 136 OF THE ACT

SCHEDULE

(to Standard No. FM.S.3.13)

APPLICATION FORM FOR RECOGNITION AS A SELF-REGULATORY ORGANISATION PURSUANT TO SECTION 136 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: _____

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

1.7 Financial year-end of the company: _____

1.8 Details of other businesses (if any) the applicant is engaged in other than the business for which recognition is being applied for: _____

1.9 Registered address of the company: _____

- 1.10 Principal office address: _____
- 1.11 Postal address: _____
- 1.12 Telephone No: _____
- 1.13 Website, if any: _____
- 1.14 Email address: _____
- 1.15 Is the company subject to regulation in a foreign country or a financial services intermediary in a foreign country? _____
- 1.16 If yes, which jurisdiction? _____
- 1.17 Name of foreign regulator(s)? _____

SECTION 2: FINANCIAL RESOURCES

We hereby confirm that the applicant has the following financial resources for the proper exercise or carrying out the powers and duties as a recognised self-regulatory organisation:

	Paid-up share capital	Unimpaired reserves
Amount	N\$	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 AND OTHER KEY PERSONS

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

- 1.1 Full names of director/key person: _____
- 1.2 Identification/Passport No.: _____

1.3 Nationality: _____

1.4 Postal address: _____

1.5 Telephone No.: _____

1.6 Mobile No.: _____

1.7 Email address: _____

SECTION 5: SHARE HOLDERS OR OTHER OWNER THAT 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>

1.1 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 contact person: _____

5.10 Shareholding percentage: _____

If more than one such shareholder or owner, 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: _____

If more than one holding company, 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: APPOINTED PRINCIPAL OFFICER

- 7.1 Full names: _____
- 7.2 Identification/Passport No.: _____
- 7.3 Nationality: _____
- 7.4 Postal address: _____
- 7.5 Telephone No.: _____
- 7.6 Mobile No.: _____
- 7.7 Email address: _____

SECTION 8: BANK DETAILS (operational account)

<Proof of bank account to be attached>

- 8.1 Name of bank: _____
- 8.2 Branch name: _____
- 8.3 Account No.: _____
- 8.4 Branch code: _____

PART 2: OPERATIONAL ABILITY OF APPLICANT**SECTION 1: BUSINESS PLAN**

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

- (a) Provide an overview of the company's business operations (company profile, details and operations of its members and their representatives, future growth, etc.), draft Rules, Corporate Governance Framework, Agreements with Service Providers (internal and external), Marketing Plan, Human Resources Plan, etc.;
- (b) Governance arrangements that are clear and transparent, promote the safety and efficiency of its infrastructure, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders;
- (c) Arrangements for the efficient and effective surveillance of all transactions effected through its infrastructure and for the supervision of its members so as to identify possible market inefficiencies and discrepancies and ensure compliance with the requirements, relevant rules and directives and the Act;
- (d) Arrangements to efficiently and effectively supervise and monitor its members to ensure compliance with the Act and any other applicable financial services law;
- (e) An explanation of the management and operational 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;
- (f) 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;
- (g) The planned approach to qualifying, quantifying and managing risk associated with the applicant's operations (Risk Management Framework, Internal Control Framework, Business Continuity Plan);
- (h) Security procedures to ensure the integrity of the systems for recording transactions and the maintenance of records effected through its infrastructure, and the back-up resources available in the event of a systems failure;
- (i) Arrangements for insurance, a guarantee, compensation fund or other warranty in place to enable it to provide compensation to clients;
- (j) Demonstration that it has effective and reliable infrastructure necessary to facilitate smooth conduct of its operations; and
- (k) A report by the chairperson of the board confirming that the applicant has adequate systems, procedures and policies in place to safeguard client information, data, records and documents from unauthorised access, alteration, destruction or dissemination.

PART 3: ADDITIONAL ATTACHMENTS		
	YES	NO
Proof of registration as a Namibian Company with the Registrar of Companies (BIPA) (CM 1 form)		
Certified copies of the applicant's Memorandum and Articles of Association and articles (CM 2 and CM 44 forms)		
Certificate to commence business (CM 46 form)		
Details of all directors (CM 29 form)		
Completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements		
Company's organogram and confirmation of operational systems		
Bank confirmation letter from its banking institution		
Details of nominee company (if applicable)		
Board resolution authorising the applicant's representative to apply for recognition on behalf of the applicant		
Detailed business plan approved by the board		
Proof of paid-up capital and unimpaired reserves		
Tax certificate from NamRA		
A certified copy of the appointment letter of the applicant's auditor		
Proof of payment of the required application fee		

SIGNATURE OF THE PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Full Name: _____

Capacity: _____

Signature: _____

Date: _____

**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
FINANCIAL MARKETS**

**FORM OF CERTIFICATE OF RECOGNITION AS A SELF-REGULATORY
ORGANISATION PURSUANT TO SECTION 136 OF THE ACT**

Standard No. FM.S.3.14

issued by NAMFISA under section 410(2)(b), read with section 136(7), 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 it must be read with 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, “self-regulatory organisation” defined in section 78(1) of the Act.

Applicability

2. This Standard applies to all self-regulatory organisations applying for recognition pursuant to section 136 of the Act.

Form of certificate of recognition

3. The certificate of recognition to be issued to a self-regulatory organisation must take the form of the Annexure attached to this Standard.

ANNEXURE
(to Standard No. FM.S.3.14)

Recognition No

CERTIFICATE OF RECOGNITION

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 (ACT NO. 2 OF 2021)

RECOGNITION AS SELF-REGULATORY ORGANISATION

This is to certify that

_____ *(insert the name)*

with principal office at: _____ *(insert address of principal office),*

**has been duly recognised as a self-regulatory organisation in terms of section 136 of the
Financial Institutions and Markets Act, 2021.**

CHIEF EXECUTIVE OFFICER

DATE OF RECOGNITION

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
COLLECTIVE INVESTMENT SCHEMES GOVERNANCE

Standard No. CIS.S.4.19

issued by NAMFISA under sections 410(2)(n) and 410(5)(cc) 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 it must be read with 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 which a director, key person, auditor or other service provider encounters, while rendering a financial service to a client, if that situation –
 - (i) impairs the objectivity of the director, key person, auditor or other service provider in any aspect of rendering the financial service to the client; or
 - (ii) prevents a director, key person, auditor or other service provider 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) “key person” means any person responsible for managing or overseeing, either alone or together with another responsible person, the activities of a regulated entity, and includes those individuals or other entities holding more than 20% of a regulated entity’s voting rights;
 - (d) “non-executive director” means an individual not involved in the day-to-day management and operations of a regulated entity or its subsidiaries;
 - (e) “regulated entity” means any of the following entities registered under Chapter 4 of the Act:
 - (i) authorised representative;
 - (ii) collective investment scheme;
 - (iii) custodian;
 - (iv) manager;
 - (v) nominee company; or
 - (vi) trustee; and
 - (f) “senior management” means a team of individuals at the highest level of a regulated entity who are involved in the day-to-day responsibilities of managing the regulated entity and who hold specific executive powers conferred onto them, with and by authority of the board of the regulated entity.

- (2) A party is related to a regulated entity if the party is –
 - (a) an affiliate of, or an associate of, a regulated entity;
 - (b) in a joint venture with the regulated entity;
 - (c) a member of the senior management of the regulated entity; or
 - (d) considered to be controlled by the regulated entity, pursuant to section 3 of the Act.
- (3) 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) board;
 - (iii) director;
 - (iv) NAMFISA; and
 - (v) principal officer; and
 - (b) as defined in section 168 of the Act –
 - (i) authorised representative;
 - (ii) collective investment scheme;
 - (iii) custodian;
 - (iv) manager;
 - (v) nominee company; and
 - (vi) trustee.

Applicability

- 2. This Standard applies to all regulated entities.
- 3. This Standard must be read with the provisions in the following Standards:
 - (a) Standard No. GEN.S.10.2 – Fit and Proper Requirements;
 - (b) Standard No. GEN.S.10.8 – Independence of directors, members of a board, trustees, custodians, auditors and of any other person required to be independent under the Act;
 - (c) Standard No. GEN.S.10.9 – Code of Conduct; and
 - (d) Standard No. GEN.S.10.20 – Definition of related party transactions and identifying those that are prohibited under the Act.

PART 1: GOVERNANCE BY THE BOARD**Board's ethical leadership responsibility**

4. The board of a regulated entity 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 regulated entity;
 - (c) retain ultimate responsibility for the performance, conduct and governance of the regulated entity, 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 regulated entity's ethical standards, and such standards must inform all practices, procedures, policies and conduct of the regulated entity;
 - (e) consider the effect of its decisions on all key stakeholders of the regulated entity; and
 - (f) ensure that the regulated entity's ethics performance is assessed, monitored, reported and disclosed in the regulated entity's annual financial statements.

Board composition

5. (1) The board of a regulated entity must consist of both executive and non-executive directors, and a chairperson must be duly appointed.
- (2) The board must have a balanced power structure, with one-third of its members being independent directors.
- (3) The board should be assisted by a competent, suitably qualified and experienced company secretary.
6. The board of a regulated entity must have necessary qualifications, knowledge, skills and expertise to effectively lead, direct and oversee the regulated entity'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, necessary skills, knowledge and understanding of the regulated entity's business to be able to fulfil their roles;
 - (b) the board must have knowledge and skills required for effectively governing a regulated entity, finance, accounting, the role of control functions, investment analysis and portfolio management, and obligations relating to fair treatment of customers; and
 - (c) 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 regulated entity's business.

7. The board must have a reporting structure, which includes the chairperson and such other board members as deemed appropriate.

Board chairperson

8. The chairperson of the board must –

- (a) proactively and impartially lead the board, ensuring that the principle of collective responsibility for board decisions is upheld, while at the same time being aware of the individual duties of board members;
- (b) be independent within the meaning of this Standard;
- (c) proactively raise issues of concerns on behalf of the board;
- (d) ensure that the performance of the board as a whole, board committees and the principal officer is reviewed and evaluated on a regular basis, and must manage the performance of members of the board; and
- (e) preside over board meetings and ensuring that time in meetings is used productively.

Independence and conflict of interest

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

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

11. The board must –

- (a) demonstrate their independence in the way they exercise any discretion;
- (b) always consider what is in the best interest of the regulated entity;
- (c) ensure that appropriate controls exist to –
 - (i) promote the independence and impartiality of the board;
 - (ii) ensure that confidential or privileged information in the possession or under the control of the regulated entity is protected and must only disclose such information as permitted in terms of the law or with the express consent of the relevant person; and
 - (iii) prevent the improper use of privileged or confidential information; and
- (d) ensure that the any service provider do not unduly influence the management of the regulated entity.

12. In addition to the meaning assigned to the term “independent” in Standard No. GEN.S.10.8 - The independence of directors, members of a board, trustees, custodians, auditors and of any other person required to be independent under the Act, for purposes of this Standard “independent director” means a director who –

- (a) has not been employed by the regulated entity in any executive capacity or senior management within the preceding three years;
- (b) is not associated to an adviser or consultant to the regulated entity;
- (c) is not a material customer or supplier of the regulated entity or has a personal service contract(s) with the regulated entity or a member of the regulated entity's senior management;
- (d) is not an associate of the regulated entity or a related party;
- (e) is not an entity that receives significant contributions from the regulated entity;
- (f) has not had any business relationship with the regulated entity (other than service as a director) for which the regulated entity has been required to make disclosure within the preceding three years;
- (g) is not employed by a public listed company or an unlisted company at which an executive officer of the regulated entity serves as a director;
- (h) is not a member of the immediate family of any person described in paragraphs (a) to (g); or
- (i) has not had any of the relationships described in paragraphs (a) to (g) with any affiliate of the regulated entity.

13. An independent director must not be an employee of a regulated entity or an employee of a related party.

14. An independent director of a holding company or a related party is not deemed or considered independent of a subsidiary within the group.

Orientation and training of directors

15. New directors must, at the expense of the regulated entity, receive training on both the legislative, regulatory and governance principles to equip them to effectively carry out their functions as directors.

16. The board must seek to enhance its knowledge, where relevant, via appropriate training and training programmes that meet the specific needs of the regulated entity and the individual directors, as may be identified during the annual individual directors' performance evaluation.

17. Directors must receive regular briefings on matters relevant to the business of the regulated entity, changes in risks and laws applicable to the business of the regulated entity, including accounting standards and policies, and the environment in which it operates.

Performance evaluation of board

18. 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.

19. The board must implement appropriate measures to address any identified inadequacies, including any training programmes for continuous development of board members.

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

- (a) the evaluation of the board, its committees and individual directors is performed annually against the board's determined roles, functions, duties and performance criteria, as well as those for members of board committees;
- (b) the past performance as a board member must be taken into account when directors are nominated for re-appointment or re-election;
- (c) evaluations must be conducted by the chairperson who must ensure that directors 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, except the principal officer must evaluate the chairperson's performance; and
- (e) the chairperson of the board, or a committee appointed by the board, must evaluate the performance of the principal officer at least annually.

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

22. The board may consider the use of external expertise from time to time to undertake its performance assessment where appropriate to enhance the objectivity and integrity of that assessment process.

Internal audit

23. The board must consider whether the structure and operations of the regulated entity would benefit from the introduction of an internal audit function.

24. Where the board decides 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 is ultimately responsible for the appointment and performance assessment 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 to prevent, eliminate or manage risks faced by the regulated entity.

Board Committees

25. Pursuant to section 398 of the Act, the regulated entity's board must set up the committees necessary for the performance of the following functions, but not limited to –

- (a) audit;
- (b) investment;
- (c) risk management;
- (d) ethics;
- (e) nomination and remuneration; and
- (f) information technology.

26. (1) The board must put in place the minimum mandatory policies, board structures and board committees that the regulated entity is required to have to enforce compliance.

(2) Pursuant to sub-clause (1), the policies must comprise of the following, but not limited to –

- (a) investment management;
- (b) risk management;
- (c) conflict of interest;
- (d) complaints management;
- (e) information technology;
- (f) remuneration; and
- (g) code of conduct.

Delegation of authority

27. The board must not abdicate their responsibility over, including in respect of, delegated functions.

28. Committees of the board may be established to exercise a specific oversight responsibility or to carry out any board-delegated responsibility.

29. The terms of reference of a committee of the board must, as a minimum, cover –

- (a) composition of the 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.

30. Every member of a committee must, as far as is reasonably possible, be suitably skilled and experienced to serve on such committee.

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

Tenure of office and appointment

32. (1) To ensure independence and reduce the risk of familiarity, no non-executive director may serve for more than three consecutive terms, and the tenure for one term may not exceed a period of three years.

(2) After serving the maximum of three consecutive terms, a minimum period of at least three years must lapse before the same person may be appointed as a non-executive director again.

33. (1) To ensure independence and reduce the risk of familiarity in respect of the auditor of the regulated entity, the auditor must be appointed for a fixed period and –

- (a) the auditor may not serve for more than five consecutive years; and
- (b) the auditor must comply with the partner rotation requirements prescribed by the Code of Ethics issued by the International Ethics Standards Board for Accountants.

(2) After serving as the auditor for the maximum period of five consecutive years, a minimum period of at least three years must lapse before the same auditor may be appointed again.

Rotation

34. The board must establish an arrangement for periodic, staggered rotation of directors and chairpersons of committees or tenure limits to serve on a committee by introducing members with new expertise and perspectives while retaining valuable knowledge, skills and experience and maintaining continuity to avoid undue concentration of power and promote fresh perspectives.

Filling of vacancies on the board

35. The board must fill vacancies, inclusive of interim vacancies within a reasonable time from when the vacancy arose.

PART 2: GOVERNANCE OF THE OPERATIONS OF THE REGULATED ENTITY

Role of the board in setting the regulated entity strategy

36. The board must be responsible for the determination and approval of the long-term and short-term strategies of the regulated entity and monitor implementation therewith by management or the service provider to whom services have been outsourced, if any.

37. 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 regulated entity, the value drivers of the regulated entity's business and the legitimate interests and expectations of the regulated entity's stakeholders.

38. 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

39. 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 of the regulated entity, the Act and any other applicable law.

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

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

42. 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 regulated entity 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 regulated entity 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 regulated entity;
- (d) the monitoring and resolution of actual, potential or perceived conflict of interest amongst those involved in the operation of the regulated entity;
- (e) the protection of confidential information of the regulated entity; and
- (f) regular review of compliance with regulatory and statutory requirements of the regulated entity.

Expert advice

43. Where the board lacks sufficient expertise to make fully informed decisions and to fulfil its responsibilities, it may seek expert advice.

44. 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, the board must satisfy itself that such advice is not compromised by the relationship of that professional or their firm to that service provider.

45. The board must assess and satisfy itself that any expert advice received is of quality, 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

46. Subject to the Act –

- (a) the board may delegate oversight of the regulated entity's risk management function to an appropriate board 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 regulated entity 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.

47. The board must have in place a risk management policy which must be reviewed regularly, but at least every two years, and must include –

- (a) the identification of risks facing the regulated entity;
- (b) the assessment of the likelihood of each such risk on the regulated entity;
- (c) the assessment of the impact of each such risk to the regulated entity;
- (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 stakeholders of the regulated entity's risk management policy, including the identification of the key risks and the processes or controls in place to prevent, eliminate or manage them.

48. The board must ensure that the regulated entity considers and implements appropriate risk responses.

49. The regulated entity 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.

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

51. 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 regulated entity, and which may jeopardise the governance structure.

52. The regulated entity 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 if there is any breach of the delegated functions by the service provider.

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

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

Regulated entity expenses

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

56. The board must ensure that the costs and expenses of the regulated entity are managed efficiently.

PART 3: MANAGEMENT OF STAKEHOLDER RELATIONSHIPS

Regulated entity information and access to regulated entity information

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

- (a) directors have unfettered access to all relevant information relating to the regulated entity to enable them to make informed decisions;
- (b) all regulated entity information is confidential and must not be released to any person unless such person has a lawful right thereto, and where this information is held by a service provider, the service provider will preserve its confidentiality and return the information to the regulated entity when the relationship with the service provider is terminated;
- (c) the board is 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;
- (d) stakeholder interests and expectations, even if not considered warranted or legitimate, must be dealt with and not ignored; and
- (e) all communication with stakeholders must be responded to promptly by or on behalf of the board and with thoroughness.

Information technology governance

58. The regulated entity 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.

59. Information technology must be aligned with the performance and sustainability objectives of the regulated entity.

60. The board must ensure that information and information technology assets are managed effectively.

61. Where the administrative function of information technology is outsourced to a 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 practice principles of information technology governance and risk management.

62. The risk or audit function must consider information technology risk as a crucial element of the effective oversight of the risk management of the regulated entity.

63. In understanding and measuring information technology risks, the risk or audit function must understand the regulated entity'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.

Reporting

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

Disclosure

65. The board must disclose relevant information to relevant persons, notably employees, clients, supervisory authorities and auditors, in a clear, accurate and timely manner.

Non-compliance

66. NAMFISA may take appropriate enforcement action in terms of Part 6 of Chapter 10 of the Act for non-compliance with this Standard.

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
GENERAL NOTIFICATION FOR APPOINTMENT AND TERMINATION OF AUDITORS

Standard No. GEN.S.10.3

issued by NAMFISA under section 410(2)(bbb), read with section 401(4) and (6), 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 it must be read with 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 that facilitates communication between NAMFISA and financial institutions or financial intermediaries.
- (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 1 of the Act:
 - (a) auditor;
 - (b) financial institution;
 - (c) financial intermediary;
 - (d) NAMFISA; and
 - (e) principal officer.

Applicability

2. This Standard applies to –
 - (a) the financial institutions and financial intermediaries that are required to appoint an auditor pursuant to section 401 of the Act; and
 - (b) the auditor so appointed.
3. For the purposes of section 401(4) and (6) of the Act, this Standard sets out the notification period and other requirements in respect of the –
 - (a) appointment of an auditor or the designation of a member of a firm of auditors; and
 - (b) termination (including resignation, dismissal or completion of tenure) of the appointment or designation of an auditor.
4. This Standard must be read with the provisions in the following Standards:
 - (a) Standard No. GEN.S.10.2 – Fit and Proper Requirements; and

- (b) Standard No. GEN.S.10.8 – Independence of directors, members of a board, trustees, custodians, auditors and of any other person required to be independent under the Act.

Notification for appointment or designation of an auditor

5. Pursuant to section 401(4) of the Act, a financial institution or financial intermediary must, within 30 calendar days after the appointment or designation of an auditor, notify NAMFISA of the appointment or designation in the form and manner required under clause 6.

Form and manner of notification

6. A notification pursuant to in clause 5 must be –

- (a) made on the form set out in Schedule 1 attached to this Standard;
- (b) signed by the principal officer or another duly authorised person; and
- (c) submitted together with the following supporting documents:
 - (i) a certified copy of the resolution by the board or the appointing the auditor;
 - (ii) the relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements;
 - (iii) a certified copy of the auditor's acceptance letter;
 - (iv) a declaration of independence and eligibility signed by the appointed auditor;
 - (v) a certified copy of the certificate of membership of the Institute of Chartered Accountants of Namibia;
 - (vi) a certified copy of a valid good standing certificate from the recognised professional body, i.e. Public Accountants' and Auditors' Board (PAAB);
 - (vii) a certified copy of the auditor's appointment letter;
 - (viii) a certified copy of the Notice of Consent to Appoint Auditor (CM 31);
 - (ix) a certified copy of auditor's or designated member's ID/passport;
 - (x) the auditor's or designated member's up-to-date abridged Curriculum Vitae; and
 - (xi) such other information and documents which NAMFISA may, from time to time, require and communicate to the financial institution or financial intermediary.

Notification for termination of an auditor's appointment or designation

7. (1) Pursuant to section 401(6)(a) of the Act, the financial institution or financial intermediary must, within 30 calendar days after the termination of the appointment or designation of an auditor, in the form and manner required under clause 8, notify NAMFISA of the termination and submit a written statement specifying the reasons for the termination, or in their opinion, the reasons for the resignation.

(2) Pursuant to section 401(6)(b) of the Act, the auditor must, within 30 calendar days after the termination of their appointment or designation, submit a signed written statement to NAMFISA, specifying the reasons for the resignation or, in their opinion, the reasons for the termination, and stating any matter relating to the affairs of the financial institution or financial intermediary of which they became aware in the performance of their duties which may be of concern to NAMFISA.

Form and manner of notification

8. A notification referred to in clause 7(1) must be –

- (a) made on the form set out in Schedule 2 attached to this Standard;
- (b) signed by the principal officer or another duly authorised person; and
- (c) submitted together with the following supporting documents:
 - (i) a written statement to NAMFISA of the reasons for the termination or, in the opinion of the financial institution or financial intermediary, the reasons for the resignation;
 - (ii) a certified copy of the resolution by the board terminating the appointment of the auditor, if applicable; and
 - (iii) such other information and documents which NAMFISA may, from time to time, require and communicate to the financial institution or financial intermediary.

Submission

9. (1) The information required by this Standard must be submitted electronically to NAMFISA on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, specified documentation or information must be submitted to NAMFISA manually.

SUPPORTING SCHEDULES

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

SCHEDULE 1: NOTIFICATION FORM FOR APPOINTMENT OF AN AUDITOR

SCHEDULE 2: NOTIFICATION FORM FOR TERMINATION OF AN AUDITOR

SCHEDULE 1

(to Standard No. GEN.S.10.3)

NOTIFICATION FORM FOR APPOINTMENT OF AN AUDITOR

PART 1: AUDITOR'S /DESIGNATED MEMBER OF THE FIRM OF AUDITORS' DETAILS

1.1 Name of auditor: _____

1.2 Nationality: _____

- 1.3 ID/Passport Number: _____
- 1.4 Country of Residence: _____
- 1.5 Physical Address: _____
- 1.6 Postal Address: _____
- 1.7 Telephone Number: _____
- 1.8 Fax Number: _____
- 1.9 Email Address: _____

PART 2: FIRM OF AUDITORS' DETAILS (complete where applicable)

- 2.1 Name of Entity: _____
- 2.2 Registration Number: _____
- 2.3 Country of registration: _____
- 2.4 Physical Address: _____
- 2.5 Postal Address: _____
- 2.6 Telephone Number: _____
- 2.7 Fax Number: _____
- 2.8 Email Address: _____

PART 3: PROFESSIONAL AFFILIATIONS OF AUDITOR

- 3.1 Name(s) of Associations: _____
- 3.2 Membership Number(s): _____

PART 4: EDUCATIONAL QUALIFICATIONS OF AUDITOR

- 4.1 Highest Qualifications: _____
- 4.2 Name of School/College/University: _____
- 4.3 Further Training and Certifications: _____

PART 5: SUPPORTING DOCUMENTS (Attachments)

The following documents must be attached to the notification form. Kindly confirm the attachment of documents by marking the appropriate box with an "X".

		Attached	Comment
OTHER INFORMATION			
(a)	Certified copy of the resolution by the board appointing the auditor		
(b)	The relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements		

(c)	A certified copy of the auditor's acceptance letter		
(d)	A declaration of independence and eligibility signed by the appointed auditor		
(e)	Certified copy of the certificate of membership of the Institute of Chartered Accountants of Namibia		
(f)	Certified copy of a valid good standing certificate from the recognised professional body, i.e. Public Accountants' and Auditors' Board (PAAB);		
(g)	Certified copy of auditor's appointment letter		
(h)	Certified copy of the Notice of Consent to Appoint Auditor (CM 31)		
(i)	Certified copy of auditor's or designated member's ID/passport		
(j)	Up to date abridged Curriculum Vitae (CV)		

SIGNATURE OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Name: _____

Designation: _____

Signature: _____

Date: _____

SCHEDULE 2

(to Standard No. GEN.S.10.3)

NOTIFICATION FORM FOR TERMINATION OF AN AUDITOR

PART 1: AUDITOR'S / DESIGNATED MEMBER OF THE FIRM OF AUDITOR'S DETAILS (whichever applicable)

1.1 Name of auditor: _____

1.2 Nationality: _____

1.3 ID/Passport Number: _____

1.4 Country of Residence: _____

1.5 Physical Address: _____

1.6 Postal Address: _____

1.7 Telephone Number: _____

1.8 Fax Number: _____

1.9 Email Address: _____

PART 2: FIRM OF AUDITORS' DETAILS

- 2.1 Name of Entity: _____
- 2.2 Registration number: _____
- 2.3 Country of registration: _____
- 2.4 Physical Address: _____
- 2.5 Postal Address: _____
- 2.6 Telephone Number: _____
- 2.7 Fax Number: _____
- 2.8 Email Address: _____

PART 3: TERMINATION DETAILS

- 3.1 Effective Date of Termination: _____
- 3.2 Reason for Termination: _____

PART 4: SUPPORTING DOCUMENTS (ATTACHMENTS)

The following documents must be attached to the notification form. Kindly confirm the attachment of documents by marking the appropriate box with an "X".

		Attached	Comment
OTHER INFORMATION			
(a)	Written statement of the reasons for the termination, or, in the opinion of the financial institution or financial intermediary, the reasons for the resignation		
(b)	Certified copy of the Board resolution terminating the appointment of the auditor, if applicable		

SIGNATURE OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Name: _____

Designation: _____

Signature: _____

Date: _____

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021**GENERAL NOTIFICATION FOR APPOINTMENT AND TERMINATION
OF VALUATORS****Standard No. GEN.S.10.4**

issued by NAMFISA under section 410(2)(bbb), read with section 402(3) and (5), 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 it must be read with 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 that facilitates communication between NAMFISA and financial institutions or financial intermediaries.
- (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 1 of the Act:
 - (a) financial institution;
 - (b) NAMFISA;
 - (c) principal officer; and
 - (d) valuator.

Applicability

2. This Standard applies to –
 - (a) the financial institutions that are required to appoint a valuator pursuant to section 402 of the Act; and
 - (b) the valuator so appointed.
3. For the purposes of section 402(3) and (5) of the Act, this Standard sets out the notification period and other requirements in respect of the –
 - (a) appointment of a valuator; and
 - (b) termination (including resignation, dismissal or retirement) of the appointment of a valuator.
4. This Standard must be read with the provisions in the following Standards:
 - (a) Standard No. GEN.S.10.2 – Fit and Proper Requirements;

- (b) Standard No. Pres.1.1 – The categories of professions and persons of which an expert must be a member for the purposes of the definition of the “valuator” in section 1 of the Act; and
- (c) Standard No. GEN.S.10.8 – Independence of directors, members of a board, trustees, custodians, auditors and of any other person required to be independent under the Act.

Notification for appointment of a valuator

5. Pursuant to section 402(3) of the Act, a financial institution must, within 30 calendar days after the appointment of a valuator, notify NAMFISA of the appointment in the form and manner required under clause 6.

Form and manner of notification

6. A notification pursuant to clause 5 must be –

- (a) made on the form set out in Schedule 1 attached to this Standard;
- (b) signed by the principal officer or another duly authorised person; and
- (c) submitted together with the following supporting documents:
 - (i) a certified copy of the resolution by the board appointing the valuator;
 - (ii) the relevant completed parts and other information and documentation required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements;
 - (iii) a certified copy of the valuator’s appointment letter;
 - (iv) a certified copy of the valuator’s acceptance letter;
 - (v) a declaration of independence and eligibility signed by the appointed valuator;
 - (vi) a summary of the valuator’s experience and competence in actuarial or valuation-related work;
 - (vii) certified copy/ies of the certificate(s) of membership of association(s);
 - (viii) a certified copy of the valuator’s ID/Passport;
 - (ix) certified copy/ies of the educational qualifications of the valuator;
 - (x) a certified copy of the valid good standing certificate from the recognised professional body i.e. Public Accountants’ and Auditors’ Board (PAAB); and
 - (xi) such other information and documents which NAMFISA may, from time to time, require and communicate to the financial institution.

Notification for termination of a valuator’s appointment

7. (1) Pursuant to section 402(5)(a) of the Act, the financial institution must, within 30 calendar days after the termination of the appointment of a valuator, in the form and manner required

under clause 8, notify NAMFISA of the termination and submit a written statement specifying the reasons for the termination, or in their opinion, the reasons for the resignation.

(2) Pursuant to section 402(5)(b) of the Act, the valuator must, within 30 calendar days after the termination of their appointment, submit a written statement to NAMFISA, specifying the reasons for the resignation or, in their opinion, the reasons for the termination, and stating any matter relating to the affairs of the financial institution of which they became aware in the performance of their duties which may be of concern to NAMFISA.

Form and manner of notification

8. A notification pursuant to clause 7(1) must be –

- (a) made on the form set out in Schedule 2 attached to this Standard;
- (b) signed by the principal officer or another duly authorised person; and
- (c) submitted together with the following supporting documents:
 - (i) a written statement to NAMFISA from the financial institution or of the reasons for the termination or, in the opinion of the financial institution, the reasons for the resignation;
 - (ii) a certified copy of the resolution by the board approving the termination; and
 - (iii) such other information and documents which NAMFISA may, from time to time, require and communicate to the financial institution.

Submission

9. (1) The information required by this Standard must be submitted electronically to NAMFISA on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, specified documentation or information must be submitted to NAMFISA manually.

SUPPORTING SCHEDULES

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

SCHEDULE 1: NOTIFICATION FORM FOR APPOINTMENT OF A VALUATOR

SCHEDULE 2: NOTIFICATION FORM FOR TERMINATION OF A VALUATOR

SCHEDULE 1

(to Standard No. GEN.S.10.4)

NOTIFICATION FORM FOR APPOINTMENT OF A VALUATOR

PART 1: VALUATOR'S DETAILS

1.1 Name of valuator: _____

- 1.2 Nationality: _____
- 1.3 ID/Passport number: _____
- 1.4 Country of residence: _____
- 1.5 Physical address: _____
- 1.6 Postal address: _____
- 1.7 Telephone number: _____
- 1.8 Fax number: _____
- 1.9 Email address: _____

PART 2: PROFESSIONAL AFFILIATIONS OF VALUATOR

- 2.1 Name(s) of associations: _____
- 2.2 Membership number(s): _____

PART 3: EDUCATIONAL QUALIFICATIONS OF VALUATOR

- 3.1 Highest qualification: _____
- 3.2 Name of School/College/University: _____
- 3.3 Further training and certifications: _____

PART 4: SUPPORTING DOCUMENTS (Attachments)

The following documents must be attached to the notification form. Kindly confirm the attachment of documents by marking the appropriate box with an “X”.

		Attached	Comment
OTHER INFORMATION			
(a)	A certified copy of the resolution by the board appointing the valuator		
(b)	The relevant completed parts and other information and documentation required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements		
(c)	A certified copy of the valuator’s appointment letter		
(d)	A certified copy of the valuator’s acceptance letter		
(e)	A declaration of independence and eligibility signed by the appointed valuator		
(f)	A summary of the valuator’s experience and competence in actuarial or valuation-related work		
(g)	Certified copy/ies of the certificate(s) of membership of association(s)		
(h)	A certified copy of the valuator’s ID/passport		
(i)	Certified copy/ies of the educational qualifications of the valuator		
(i)	A certified copy of the valid good standing certificate from the Public Accountants’ and Auditors’ Board (PAAB)		

SIGNATURE OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Name: _____

Designation: _____

Signature: _____

Date: _____

SCHEDULE 2

(to Standard No. GEN.S.10.4)

NOTIFICATION FORM FOR TERMINATION OF A VALUATOR**PART 1: VALUATOR'S DETAILS**

1.1 Name of valuator: _____

1.2 Nationality: _____

1.3 ID/Passport number: _____

1.4 Country of residence: _____

1.5 Physical address: _____

1.6 Postal address: _____

1.7 Telephone number: _____

1.8 Fax number: _____

1.9 Email address: _____

PART 2: TERMINATION DETAILS

2.1 Effective date of termination: _____

2.2 Reason(s) for termination: _____

PART 3: SUPPORTING DOCUMENTS (Attachments)

The following documents must be attached to the notification form. Kindly confirm the attachment of documents by marking the appropriate box with an "X".

		Attached	Comment
OTHER INFORMATION			
(a)	Written statement of the reasons for the termination or, in the opinion of the financial institution, the reasons for the termination		
(b)	A certified copy of the resolution by the board approving the termination		

SIGNATURE OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Name: _____

Designation: _____

Signature: _____

Date: _____

**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
GENERAL NOTIFICATION FOR APPOINTMENT AND
TERMINATION OF PRINCIPAL OFFICERS**

Standard No. GEN.S.10.5

issued by NAMFISA under section 410(2)(h) and (bbb), read with sections 15(3) and (5), 61(3) and (5), 102(3) and (5), 185(3) and (5), 260(3) and (5), 296(3) and (5), 339(3) and (5), and 372(3) and (5), and 392(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 it must be read with 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 that facilitates communication between NAMFISA and financial institutions or financial intermediaries.
- (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 1 of the Act:
 - (a) financial institution;
 - (b) financial intermediary;
 - (c) NAMFISA; and
 - (d) principal officer.

Applicability

2. This Standard applies to financial institutions and financial intermediaries.
3. This Standard must be read with Standard No. GEN.S.10.2 – Fit and Proper Requirements.

Scope of the Standard

4. For the purposes of sections 15(3) and (5), 61(3) and (5), 102(3) and (5), 185(3) and (5), 260(3) and (5), 296(3) and (5), 339(3) and (5), and 372(3) and (5), and 392(a) of the Act, this Standard sets out the notification period and other requirements in respect of the –
 - (a) appointment of a principal officer; and
 - (b) termination of the appointment of a principal officer (including resignation, dismissal or retirement).

Notification for appointment of a principal officer

5. A financial institution or financial intermediary must, within 30 calendar days after the appointment of a principal officer, notify NAMFISA of the appointment in the form and manner prescribed under clause 6.

Form and manner of notification

6. A notification pursuant to clause 5 must be –
- (a) made on the form set out in Schedule 1 attached to this Standard;
 - (b) signed by an authorised representative of the financial institution or financial intermediary; and
 - (c) submitted together with the following supporting documents:
 - (i) a certified copy of the letter of appointment;
 - (ii) a certified copy of ID/passport of Principal Officer;
 - (iii) certified copy/ies of educational qualification of Principal Officer;
 - (iv) a certified copy of marriage certificate (if name differs from the name on ID);
 - (v) an abridged Curriculum Vitae (CV) of Principal Officer;
 - (vi) the relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements; and
 - (vii) such other information and documents which NAMFISA may, from time to time, require and communicate to the financial institution or financial intermediary.

Notification for the termination of appointment of a principal officer

7. A financial institution or financial intermediary must, within 30 calendar days after the termination of the appointment of the principal officer, in the form and manner required under clause 8, notify NAMFISA of the termination and submit a written statement specifying the reasons for the termination, or in their opinion, the reasons for the resignation.

Form and manner of notification

8. A notification pursuant to in clause 7 must be –
- (a) made on the form set out in Schedule 2 attached to this Standard;
 - (b) signed by an authorised representative of the financial institution or financial intermediary; and
 - (c) submitted together with the following supporting documents:
 - (i) a certified copy of the letter of termination of appointment, indicating the reason(s) for the termination; and
 - (ii) such other information and documents which NAMFISA may, from time to time, require and communicate to the financial institution or financial intermediary.

Submission

9. (1) The information required by this Standard must be submitted electronically to NAMFISA on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, specified documentation or information must be submitted to NAMFISA manually.

SUPPORTING SCHEDULES

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

SCHEDULE 1: NOTIFICATION FORM FOR APPOINTMENT OF A PRINCIPAL OFFICER

SCHEDULE 2: NOTIFICATION FORM FOR TERMINATION OF A PRINCIPAL OFFICER

SCHEDULE 1

(to Standard No. GEN.S.10.5)

NOTIFICATION FORM FOR APPOINTMENT OF A PRINCIPAL OFFICER**PART 1: PRINCIPAL OFFICER'S DETAILS**

1.1 Name of Principal Officer: _____

1.2 Nationality: _____

1.3 ID/passport number: _____

1.4 Country of residence: _____

1.5 Physical address: _____

1.6 Postal address: _____

1.7 Telephone number: _____

1.8 Fax number: _____

1.9 Email address: _____

PART 2: APPOINTING FINANCIAL INSTITUTION'S OR FINANCIAL INTERMEDIARY'S DETAILS

2.1 Name of entity: _____

2.2 Registration number: _____

2.3 Physical address: _____

2.4 Postal address: _____

2.5 Telephone number: _____

2.6 Fax number: _____

2.7 Email address: _____

PART 3: EDUCATIONAL QUALIFICATIONS OF THE PRINCIPAL OFFICER

3.1 Highest qualification: _____

3.2 Name of School/College/University: _____

3.3 Further training and certifications: _____

PART 4: SUPPORTING DOCUMENTS (Attachments)

The following documents must be attached to the notification form. Kindly confirm the attachment of documents by marking the appropriate box with an “X”.

		Attached	Comment
OTHER INFORMATION			
(a)	A certified copy of the letter of appointment		
(b)	A certified copy of ID/passport of Principal Officer		
(c)	Certified copy/ies of educational qualification of Principal Officer		
(d)	Certified copy of marriage certificate (if name differs from the name on ID)		
(e)	An abridged Curriculum Vitae (CV) of Principal Officer		
(f)	The relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements		

SIGNATURE OF AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Name: _____

Designation: _____

Signature: _____

Date: _____

SCHEDULE 2

(to Standard No. GEN.S.10.5)

NOTIFICATION FORM FOR TERMINATION OF A PRINCIPAL OFFICER

PART 1: PRINCIPAL OFFICER’S DETAILS

1.1 Name of Principal Officer: _____

1.2 Nationality: _____

1.3 ID/passport number: _____

1.4 Country of residence: _____

1.5 Physical address: _____

1.6 Postal address: _____

1.7 Telephone number: _____

1.8 Fax number: _____

1.9 Email address: _____

PART 2: FINANCIAL INSTITUTION'S OR FINANCIAL INTERMEDIARY'S DETAILS

2.1 Name of entity: _____

2.2 Registration number: _____

2.3 Physical address: _____

2.4 Postal address: _____

2.5 Telephone number: _____

2.6 Fax number: _____

2.7 Email address: _____

PART 3: TERMINATION DETAILS

3.1 Effective date of termination: _____

3.2 Reason(s) for termination: _____

PART 4: SUPPORTING DOCUMENTS (Attachments)

The following document must be attached to the notification form. Kindly confirm the attachment of the document by marking the box with an "X".

	Attached	Comment
OTHER INFORMATION		
Written statement of the reasons for the termination or, in the opinion of the financial institution or financial intermediary, the reasons for the termination		

SIGNATURE OF AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Name: _____

Designation: _____

Signature: _____

Date: _____

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
GENERAL APPLICATION FOR AMALGAMATION OR TRANSFER OF ANY BUSINESS
FROM AND/OR TO A FINANCIAL INSTITUTION OR FINANCIAL INTERMEDIARY IN
TERMS OF SECTION 449 OF THE ACT

Standard No. GEN.S.10.28

issued by NAMFISA under section 410(2)(c), read with section 449(1), 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 it must be read with the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “amalgamation” means a transaction where two or more financial institutions and/or financial intermediaries combine to form one amalgamated financial institution or financial intermediary that retains all the assets and liabilities of the amalgamating financial institutions and/or financial intermediaries;
 - (c) “amalgamation agreement” means a written and signed agreement between two or more financial institutions and/or financial intermediaries that sets out the terms and conditions of the amalgamation;
 - (d) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions or financial intermediaries;
 - (e) “parties to the amalgamation” means the financial institutions and/or financial intermediaries that combine to form one amalgamated financial institution or financial intermediary;
 - (f) “post transfer/amalgamation integration plan” means a strategic roadmap outlining the steps for the transfer of business or amalgamation, aiming to fully integrate the operations, systems and cultures to achieve the intended synergies and benefits of the transfer of business or amalgamation;
 - (g) “transfer of business” means a transaction that involves the transmission, handover, takeover, conveyance, assignment, or succession of the whole or any part of the business of a financial institution and/or financial intermediary to/by one or more financial institutions and/or financial intermediaries;
 - (h) “transfer agreement “ means a written and signed agreement between two or more financial institutions and/or financial intermediaries that sets out the terms and conditions of the transfer of business;
 - (i) “transferee institution” means the financial institution or financial intermediary to which all or any portion of another financial institution and/or financial intermediary’s business is transferred;
 - (j) “transferor institution” means the financial institution or financial intermediary which transfers all or any portion of its business to another financial institution and/or financial intermediary; and

- (k) “transferring clients” means the clients of the transferor institution whose financial products and their corresponding assets and liabilities are being transferred to the transferee institution and whose existing financial products will be provided by the transferee institution.

(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 1 of the Act –

- (a) beneficiary fund;
- (b) board;
- (c) client;
- (d) financial institution;
- (e) financial intermediary;
- (f) financial product;
- (g) NAMFISA;
- (h) retirement fund;
- (i) standards; and
- (j) valuator.

Applicability

2. This Standard applies to all financial institutions and financial intermediaries other than beneficiary funds and retirement funds.

Prohibited transfers and amalgamations

3. No transfer of all or any portion of business from a financial institution or financial intermediary to another financial institution or financial intermediary, or the amalgamation of any financial institution and/or financial intermediary with any other financial institution or financial intermediary may be made if –

- (a) either of the transferor institution or the transferee institution, or any of the parties to the amalgamation is –
 - (i) not in compliance with the Act, and such non-compliance may prejudice or negatively impact the rights of the transferring clients or the amount to be transferred, or the rights of the clients of the parties to the amalgamation; or
 - (ii) a party to a legal action in the course of adjudication, if such legal action may prejudice or negatively impact the rights of the transferring clients or the amount to be transferred, or the rights of the clients of the parties to the amalgamation;
- (b) the transferor institution and the transferee institution have not entered into a transfer agreement, or the parties to the amalgamation have not entered into an amalgamation agreement; or

- (c) either of the transferor institution or the transferee institution or the parties to the amalgamation is in default of any obligation in terms of the transfer agreement or the amalgamation agreement.

4. NAMFISA may, if the transferor institution and the transferee institution, or the parties to the amalgamation, have complied with the requirements in clauses 5, 6 and 12, and NAMFISA is satisfied that the proposed transfer of business or amalgamation is in the interest of the clients of both the transferor institution and the transferee institution or the parties to the amalgamation, consider and approve the proposed transfer of business or amalgamation.

Requirements for an application for amalgamation or transfer made in terms of section 449(1) of the Act

5. An application in terms of section 449(1) of the Act must consist of a duly completed application form in the form of Schedules 1 or 2 to this Standard, duly signed by the principal officer or a duly authorized person.

6. In addition to the application form referred to in clause 5, an application for amalgamation or transfer of business must be accompanied by –

- (a) the documents as required by section 449(1) of the Act;
- (b) a copy of the notice referred to in section 449(3) of the Act;
- (c) the following reports, if applicable:
 - (i) any statements by, or opinions of, an independent advisor or the valuator of the transferor institution or a transferee institution, or the parties to the amalgamation; and
 - (ii) the reports on which those statements or opinions are based;
- (d) certified copies of the board resolutions from all involved transferor institutions and/or transferee institutions or the parties to the amalgamation authorising –
 - (i) the transfer of business or amalgamation; and
 - (ii) the authorised person to submit the application for transfer of business or amalgamation;
- (e) where applicable, any approval in terms of the Competition Act, 2003 (Act No. 2 of 2003), required for the transfer of business or amalgamation; and
- (f) where applicable, a certificate of good standing from the Namibia Revenue Agency.

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

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

9. 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 the period of seven days, or such other period stipulated or agreed to by NAMFISA, failing which the application shall be rejected.

10. An application not complete 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.

11. 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.

Requirements for approval by NAMFISA

12. NAMFISA will not approve an application for transfer of all or any portion of business from a transferor institution to a transferee institution, or an application for amalgamation of financial institutions and/or financial intermediaries, unless satisfied that –

- (a) a transfer agreement has been submitted to NAMFISA jointly by the transferor institution and the transferee institution, or an amalgamation agreement has been submitted to NAMFISA jointly by the parties to the amalgamation;
- (b) the transfer agreement or amalgamation agreement adequately and appropriately addresses the reasonable and legitimate concerns of clients of either institutions or clients of the parties to the amalgamation and any other interested person, and that the clients and other interested persons have been given at least 30 days' notice prior to the effective day of the transfer or the amalgamation, of the pending transfer agreement or amalgamation agreement and of their right to make their concerns known to NAMFISA or to the boards of the institutions or the boards of the parties to the amalgamation;
- (c) the transfer agreement or amalgamation agreement complies with the Act, and in particular with Part 8 of Chapter 10 of the Act;
- (d) the transfer agreement or amalgamation agreement –
 - (i) protects the accrued financial products of transferring clients or clients of the parties to the amalgamation, including making provision for their reasonable expectations;
 - (ii) includes an analysis showing that clients of the transferor institution who are not transferring clients and the clients of the transferee institution, or the clients of the parties to the amalgamation are treated equitably and provides an analysis of the impacts of the transfer of business or the amalgamation on the financial position of both institutions or the parties to the amalgamation;
 - (iii) stipulates that the accrued financial products transferred are and will remain fully and irrevocably vested in the transferring clients during their association with the transferee institution;
 - (iv) in the case where investments of the transferor institution are being transferred to the transferee institution rather than cash, or where investments of the parties to the amalgamation are being amalgamated rather than cash, specifies the methodology applied to determine the selection of those investments and an analysis of that methodology that supports its appropriateness to the circumstances of the transfer of business or amalgamation, which analysis must be based on a report by an independent advisor or a valuator; and
 - (v) includes a statement of costs associated with the transfer of business or amalgamation; and

- (e) a post transfer/amalgamation integration plan has been submitted to NAMFISA jointly by the transferor institution and the transferee institution, or by the parties to the amalgamation.

Submission

13. (1) An application in terms of clauses 5 and 6 must be submitted to NAMFISA electronically on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, specified documentation or information must be submitted to NAMFISA manually.

SUPPORTING SCHEDULES

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

SCHEDULE 1: APPLICATION FORM FOR THE TRANSFER OF BUSINESS IN TERMS OF SECTION 449 OF THE ACT

SCHEDULE 2: APPLICATION FORM FOR AMALGAMATION IN TERMS OF SECTION 449 OF THE ACT

SCHEDULE 1

(to Standard GEN.S.10.28)

APPLICATION FORM FOR THE TRANSFER OF BUSINESS IN TERMS OF SECTION 449 OF THE FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021

I/We, _____ (name of transferor institution) and _____ (name of transferee institution), do hereby apply for the transfer of business in terms of section 449 of the Financial Institutions and Markets Act, 2021.

PART A – GENERAL

PLEASE COMPLETE THE FORM IN FULL

1. Transferor institution information:

- 1.1 Name of the financial institution/intermediary: _____
- 1.2 Type of the institution: _____
- 1.3 Registration number of institution: _____
- 1.4 Is the institution ceasing to exist? _____
- 1.5 Valuator Name (if any): _____

2. Transferee institution information:

- 2.1 Name of the financial institution/intermediary: _____

- 2.2 Type of the institution: _____
- 2.3 Registration number of the institution: _____
- 2.4 Valuator Name (if any): _____

3. Details of the Principal Officers and Chairpersons of the Boards of the Transferor and Transferee institutions:

3.1 Principal Officer and Chairperson of the Board - Transferor institution:

DETAILS	PRINCIPAL OFFICER	CHAIRPERSON
Full Name		
Identity Number		
Nationality		

3.2 Principal Officer and Chairperson of the Board - Transferee institution:

DETAILS	PRINCIPAL OFFICER	CHAIRPERSON
Full Name		
Identity Number		
Nationality		

4. Details on clients and amounts to be transferred:

Description	Amount to be transferred (N\$)	Number of clients to be transferred
Clients		
Reserves (if any)		
Total		

5. Does the Transferor Institution meet the financial soundness requirements of the Act? (if applicable): _____

6. Date of the last statutory valuation of Transferor Institution (if applicable): _____

SIGNED FOR THE TRANSFEROR INSTITUTION:

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Principal Officer/authorised person (signature)

Date

SIGNED FOR THE TRANSFEE INSTITUTION:

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Principal Officer/authorised person (signature)

Date

PART B – CLIENTS AND OTHER INTERESTED PERSONS OBJECTING TO THE TRANSFER OF BUSINESS
--

Kindly attach the list of clients/other interested persons objecting to the transfer of business and provide reasons.

PART C: REQUIRED DOCUMENTS FOR THE TRANSFER APPLICATION	
Kindly confirm the attachment of documents by marking the appropriate box with an “X”	
Required document	Attached
Transfer agreement under which the proposed transfer of business is to take place	
Annual financial statements in respect of the business of each of the financial institutions/intermediaries concerned	
Report on which the proposed transfer of business was founded	
Copy of notices referred to in section 449(3) of the Act	
List of clients and other interested persons objecting to the transfer of business	
In terms of clause 6(c)(i), any statements by, or opinions of, an independent advisor or the valuator of the transferor institution or a transferee institution	
In terms of clause 6(c)(ii), the reports on which those statements or opinions are based	
In terms of clause 6(d)(i), certified copies of the board resolutions from all involved financial institutions and/or financial intermediaries authorising the transfer of business	
In terms of clause 6(d)(ii), certified copies of the board resolutions from all involved financial institutions and/or financial intermediaries authorising the authorised person to submit the application for transfer of business	
In terms of clause 6(e), any approval in terms of the Competition Act, 2003 (Act No. 2 of 2003), required for the transfer of business (if applicable)	
In terms of clause 6(f), a certificate of good standing from the Namibia Revenue Agency (if applicable)	
In terms of clause 12(e), a post transfer integration plan	

SCHEDULE 2

(to Standard GEN.S.10.28)

APPLICATION FORM FOR AMALGAMATION IN TERMS OF SECTION 449 OF THE FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021

I/We, _____ (name of party 1 to amalgamation) and
 _____ (name of party 2 to amalgamation) and
 _____ (name of party 3 to amalgamation) and
 _____ (name of party 4 to amalgamation) and

do hereby apply for the amalgamation of business in terms of section 449 of the Financial Institutions and Markets Act, 2021.

PART A – GENERAL**PLEASE COMPLETE THE FORM IN FULL****1. Information of Party 1 to the amalgamation:**

1.1 Name of the financial institution/intermediary: _____

1.2 Type of the institution: _____

1.3 Registration number of institution: _____

1.4 Is the institution ceasing to exist? _____

1.5 Valuator Name (if any): _____

2. Information of Party 2 to the amalgamation:

2.1 Name of the financial institution/intermediary: _____

2.2 Type of the institution: _____

2.3 Registration number of the institution: _____

2.4. Valuator Name (if any): _____

3. Information of Party 3 to the amalgamation:

3.1 Name of the financial institution/intermediary: _____

3.2 Type of the institution: _____

3.3 Registration number of the institution: _____

3.4 Valuator Name (if any): _____

4. Information of Party 4 to the amalgamation:

4.1 Name of the financial institution/intermediary: _____

4.2 Type of the institution: _____

4.3 Registration number of the institution: _____

4.4 Valuator Name (if any): _____

5. Details of the Principal Officers and Chairpersons of the Board of the parties to the amalgamation:**5.1 Principal Officer and Chairperson of the Board – Party 1 to the Amalgamation:**

DETAILS	PRINCIPAL OFFICER	CHAIRPERSON
Full Name		
Identity Number		
Nationality		

5.2 Principal Officer and Chairperson of the Board – Party 2 to the Amalgamation:

DETAILS	PRINCIPAL OFFICER	CHAIRPERSON
Full Name		
Identity Number		
Nationality		

5.3 Principal Officer and Chairperson of the Board – Party 3 to the Amalgamation:

DETAILS	PRINCIPAL OFFICER	CHAIRPERSON
Full Name		
Identity Number		
Nationality		

5.4 Principal Officer and Chairperson of the Board – Party 4 to the Amalgamation:

DETAILS	PRINCIPAL OFFICER	CHAIRPERSON
Full Name		
Identity Number		
Nationality		

6. Details on clients and amounts affected by the proposed amalgamation

Description	Amount to be affected by the proposed amalgamation (N\$)	Number of clients to be affected by the proposed amalgamation
Clients		
Reserves (if any)		
Total		

7.1 Financial soundness and date of last statutory valuation of Party 1 to the Amalgamation (if applicable): _____

7.2 Financial soundness and date of last statutory valuation of Party 2 to the Amalgamation (if applicable): _____

7.3 Financial soundness and date of last statutory valuation of Party 3 to the Amalgamation (if applicable): _____

7.4 Financial soundness and date of last statutory valuation of Party 4 to the Amalgamation (if applicable): _____

SIGNED FOR PARTY 1 TO THE AMALGAMATION:

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Principal Officer/authorised person (signature)

Date

SIGNED FOR PARTY 2 TO THE AMALGAMATION:

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Principal Officer/authorised person (signature)

Date

SIGNED FOR PARTY 3 TO THE AMALGAMATION:

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Principal Officer/authorised person (signature)

Date

SIGNED FOR PARTY 4 TO THE AMALGAMATION:

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Principal Officer/authorised person (signature)

Date

PART B – CLIENTS AND OTHER INTERESTED PERSONS OBJECTING TO THE AMALGAMATION

Kindly attach the list of clients/other interested persons objecting to the amalgamation and provide reasons.

PART C: REQUIRED DOCUMENTS FOR THE AMALGAMATION APPLICATION	
Kindly confirm the attachment of documents by marking the appropriate box with an “X”	
Required document	Attached
Amalgamation agreement under which the proposed amalgamation is to take place, including documents listed under clause 6	
Annual financial statements in respect of the business of each of the financial institutions/intermediaries concerned	
Report on which the proposed amalgamation was founded	
Copy of notices referred to in section 449(3) of the Act	
List of clients and other interested persons objecting to the amalgamation	
In terms of clause 6(c)(i), any statements by, or opinions of, an independent advisor or the valuator of the parties to the amalgamation	
In terms of clause 6(c)(ii), the reports on which those statements or opinions are based	
In terms of clause 6(d)(i), certified copies of the board resolutions from all involved parties to the amalgamation authorising the amalgamation	
In terms of clause 6(d)(ii), certified copies of the board resolutions from all involved parties to the amalgamation authorising the authorised person to submit the application for amalgamation	

