

20 November 2014

TO: Principal Officers of all registered Friendly Societies

CIRCULAR: PI/FS/01/2014

EFFECTIVE DATE: 20 November 2014

SUBJECT: AMENDMENT OF RULES OF FRIENDLY SOCIETIES

1 Introduction

1.1 This Directive is issued by virtue of NAMFISA's functions and powers and those of its CEO in his capacity as the Registrar of friendly societies in terms of the Namibia Financial Institutions Supervisory Authority Act, Act No. 3 of 2001 and is applicable to all friendly societies registered under the Friendly Societies Act, Act No. 25 of 1956 ("FS Act").

1.2 The purpose of this Directive is to address the failure by principal officers of friendly societies to transmit to the Registrar, copies of resolutions by the management committees of the said societies, for the alteration or rescission of any rule or for the adoption of any additional rule, within one month from the date of the passing of the said resolution as stipulated in section 14(2) of the FS Act.

2 The law

2.1 Section 14(2) of the FS Act provides that:

"Within one month from the date of the passing of a resolution for the alteration or rescission of any rule or for the adoption of any additional rule, a copy of such resolution shall be transmitted by the principal officer to the registrar, together with a certificate signed by the person managing the business of the society to the effect that such resolution has been adopted in accordance with the provisions of the rules of the society."

2.2 In terms of section 14(3) of the said Act, if any alteration, rescission or addition affects the financial condition of the society, the principal officer is required to transmit to the Registrar, a



certificate by a valuator as to its financial soundness or, if no valuator has been employed, such information regarding its financial soundness as the society may possess.

2.3 In terms of section 48 of the FS Act, any person who fails or refuses to furnish information or produce documents or accounts or render other assistance to the registrar when called upon to do so in terms of the said Act shall be guilty of an offence.

3 The directive

3.1 Accordingly, principal officers of all registered friendly societies, are hereby directed to transmit to the Registrar, a copy of the resolution by the management committee of the society, for the alteration or rescission of any rule or for the adoption of any additional rule within one month of the passing of the said resolution together with a certificate signed by the person managing the business of the society to the effect that such resolution has been adopted in accordance with the provisions of the rules of the society, with immediate effect.

3.2 In the event that any such alteration, rescission or addition affects the financial condition of the society, principal officers of all registered friendly societies are further directed to transmit to the Registrar, a certificate by a valuator as to its financial soundness or, if no valuator has been employed, such information regarding its financial soundness as the society may possess.

In addition to any other action that the Registrar may take in terms of the FS Act, the Registrar will refer principal officers who fail to comply with this Directive to the Office of the Prosecutor-General for prosecution in accordance with section 48 of the FS Act.

The Registrar therefore requires full cooperation and support in this process by all industry players and stakeholders at large.

Should you require more clarity on this Directive, kindly contact the Manager: Medical Aid Funds and Friendly Societies at telephone number 061-290 5000.



Phillip N. Shiimi
Registrar of Friendly Societies