

GOVERNMENT NOTICE

FRIENDLY SOCIETIES

NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

No. X

2021

STANDARDS MADE UNDER THE FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021

The Namibia Financial Institutions Supervisory Authority has under section 410(7) of the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), issued the Standards set out in the Schedule.

Gersom Katjimune
Chairperson

Windhoek,

2021

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 [Act No. 2 of 2021]

DRAFT STANDARD

THE PERIOD AFTER WHICH PAYMENT OF SUBSCRIPTIONS OR CONTRIBUTIONS TO A
FRIENDLY SOCIETY BECOME DUE

NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

Standard No: FS.S.6.16

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021 [Act No. 2 of 2021]

The period after which payment of contributions to a friendly society become due

Standard No. FS.S.6.16

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

Definitions

1. (1) In this Standard, unless the context indicates otherwise—
 - (a) “Act” means the *Financial Institutions and Markets Act, 2021* [Act No. 2 of 2021], and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
 - (b) “contribution delinquency” means a state in which contributions to a friendly society, that are required to be paid to the society according to its rules or under the Act by a member and/or an employer that is a contributory to or participatory in the society as of any date or during any period of time, have not been paid within the period or periods of time following their due dates of payment as required by the rules of the society or the Act; and
 - (c) “contribution deficiency” as at any date means the amount by which the contributions required to be paid to the society according to its rules or under the Act by a member and/or an employer that is a contributory to, or participatory in, a society, exceed the amounts actually paid.
- (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) “board” as defined in section 1 of the Act;
 - (b) as defined in section 284 of the Act—
 - (i) society;
 - (ii) friendly society; and

- (iii) member.

Applicability

- 2. This Standard applies to all friendly societies registered under the Act.

Period after which contributions are due

3. Any contribution to a friendly society, whether a contribution which, under the rules of the society, must be deducted from the member's remuneration, any contribution for which the employer is liable under those rules, any contribution for the payment of which the member of the society is responsible personally, or any contribution to be paid on a member's behalf-

- (a) must be deposited directly into the society's bank account with a banking institution not more than seven calendar days after the end of the month for which such contribution is payable; or
- (b) must be forwarded directly to the society in such a manner that the society receives the contribution not more than seven days after the end of the month.

4. The board of a society must deposit or cause to be deposited into the bank account of the society any contribution forwarded to and received by the society in the circumstances described in clause 3(b), on the first business day following the day of receipt.

5. The board of a friendly society must notify active members of the society and NAMFISA of a contribution delinquency or of a contribution deficiency within 30 days after the period referred to in clause 3.