

GOVERNMENT NOTICE**RETIREMENT FUNDS**

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

PROVISION FOR COMPULSORY BENEFICIARY NOMINATION FORMS TO
BE COMPLETED BY MEMBERS OF A FUND FOR THE PURPOSES OF
ENABLING A MEMBER TO DESIGNATE A NOMINEE OR NOMINEES TO
RECEIVE BENEFITS FROM SUCH FUND UPON THE DEATH OF SUCH
MEMBER

NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

Standard No: RF.S.5.9

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

Provision for compulsory beneficiary nomination forms to be completed by members of a fund for the purposes of enabling a member to designate a nominee or nominees to receive benefits from such fund upon the death of such member

Standard No. RF.S.5.9

issued by NAMFISA under section 410(6)(r) of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard, “Act” means the *Financial Institutions and Markets Act, 2021* [Act No. 2 of 2021], and includes the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including, without limitation, the following-
 - (a) as defined in section 1 of the Act:
 - (i) board;
 - (ii) retirement fund;
 - (iii) spouse;
 - (b) as defined in section 249 of the Act:
 - (i) dependent;
 - (ii) fund;
 - (iii) member; and
 - (iv) nominee.

Applicability

2. This Standard applies to all retirement funds registered under the Act.

Beneficiary nomination forms

3. For the purposes of section 276 of the Act, every retirement fund must, for completion by members, send to all its members, at least once every year, a beneficiary nomination form, in the form of or in a similar form as Schedule 1, attached hereto and forming part hereof, indicating as applicable, a designated dependent or dependents, and a nominee or nominees to receive benefits from the fund upon the death of the member.
4. The beneficiary nomination form referred to in clause 3 must be returned to the fund by members on or before the 30th of January each year, irrespective of whether or not any changes has been effected thereto.
5. The board of the retirement fund shall ensure that the following is included in the beneficiary nomination form:
 - (a) **Nomination category for legal dependents** (for example, a spouse¹ and children, including adopted children and children born out of wedlock, regardless of whether the child was financially dependent on the member);
 - (b) **Nomination category for factual dependents** (for example, mother, father or any other person living with the member or who is financially dependent upon the member, including a former spouse to whom the member is paying maintenance, or children of whom the member is the guardian, or stepchildren who are financially dependent on the member) and the member should be informed that it is the responsibility of the board of the retirement fund to decide whether a particular person was financially dependent on the member at the time of death; and
 - (c) **Nomination category for other beneficiaries** (nominees indicated on the beneficiary nomination form of the member).
6. Members are entitled to amend their beneficiary nomination forms at any time by completing a new beneficiary nomination form, in which case any and all preceding beneficiary nomination forms will be invalid and of no force and effect.

¹A spouse includes (a) a common law partner in a union recognised in common law as a life-time cohabitation arrangement; (b) a partner in a customary union according to customary law or custom; or (c) a partner in a union recognised as a marriage under the tenets of any religion; refer to definition of “spouse” in section 1 of the Act.

SCHEDULE 1

BENEFICIARY NOMINATION FORM

Please print all details

| | | | |
|---------------|--|-------------|--|
| Employer | | Cost Centre | |
| Member Name | | Ref No | |
| Tel No (home) | | Fax No | |
| Tel No (work) | | e-mail | |

I, (full names).....hereby wish to nominate the undermentioned person(s) to receive the lump sum benefit payable by the Fund on my death in the proportions indicated.

THIS FORM SUPERCEDES ANY PREVIOUS NOMINATION MADE BY ME.

| (A) Spouse | Title, First Name, Initials & Surname | Date of Birth/Identification Number | Basis of marital union | Church Congregation membership/Town/Village | Region where spouse resides and Traditional Authority, if applicable | Telephone number/cellphone number | % Share |
|---------------|---------------------------------------|-------------------------------------|------------------------|---------------------------------------------|----------------------------------------------------------------------|-----------------------------------|---------|
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***Civil/Customary/Common law/Co-habitation**

BENEFICIARY NOMINATION FORM (CONT.)

| (B) Dependent Children** | Title, First Name, Initials & Surname | Gen der | Date of Birth | Guardian | Church Congregation membership/Town/Villag e | Region where Dependent resides and Traditional Authority, if applicable | Telephone number/cellphon e number | % Share |
|-----------------------------------------|--------------------------------------------------------------|--------------------|--------------------------|-----------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------|
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**Usually, a child of the member, including a child born out of wedlock or legally adopted child, under the age of 21 and unmarried: or a stepchild, under the age of 21 and unmarried, who, in the opinion of the Trustees, was substantially dependent on the member at the time of his/her death; provided that the Trustees may at their discretion include a child who is over the age of 21 years and is engaged in full time studies at an educational institution approved by the Trustees and was substantially dependent on the member.

BENEFICIARY NOMINATION FORM (CONT.)

| (D) Nominees/Other members not mentioned in A, B, or C and who are not supported by the member | Title, First Name, Initials & Surname | Gen der | Date of Birth | Relationshi p | Church Congregation membership/Town/Villag e | Region where nominee resides and Traditional Authority, if applicable | Telephone number/cellphon e number | % Share |
|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------|--------------------------|--------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------|
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| Member Signature | |
| Date | |
| Witness Name | |
| Witness Signature | |
| Date | |

Additional Remarks:

The Financial Institutions and Markets Act regulates the payment of lump sum death benefits by the Fund. It is very important that member notifies the Fund's Trustees in writing who his/her dependents are and any other person (nominee) he/she wishes to nominate to receive a portion of the benefit payable from the Fund in the event of the member's death.

The Financial Institutions and Markets Act recognize the following categories of persons as dependents:

- A person for whom member was legally liable to maintain (e.g. a minor child);
- A person whom the Trustees consider as having in fact been dependent on the member for maintenance at the time of the members' death (e.g. a parent incapable of self-support).
- The member's spouse (the surviving partner in a recognized marital union, including a customary union according to tribal law and custom);
- A person for whom the member would have become legally liable for maintenance had the member not died (e.g. an unborn child).

All dependents must thus be shown whether they are to receive a portion of the benefit or not.

In terms of the Financial Institutions and Markets Act the Trustees must take the above expression of wish into consideration when deciding on the equitable allocation of benefits to dependents and/or nominee and information provided by the employer/dependents/nominees.

WE URGE YOU TO UPDATE YOUR BENEFICIARY FORM ON A REGULAR BASIS PARTICULARLY AS AND WHEN YOUR CIRCUMSTANCES CHANGE.