



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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Government Notice

OFFICE OF THE PRIME MINISTER

No. 77 1998

PROMULGATION OF ACT OF PARLIAMENT

The following Act which has been passed by the Parliament and signed by the President in terms of the Namibian Constitution is hereby published in terms of Article 56 of that Constitution.

No. 5 of 1998: Long-term Insurance Act, 1998

LONG-TERM INSURANCE ACT, 1998**ACT**

To regulate the carrying on of long-term insurance business in Namibia and to provide for matters incidental thereto.

(Signed by the President on 11 March 1998)

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BE IT ENACTED by the Parliament of the Republic of Namibia,
as follows:-

PART I
PRELIMINARY

Definitions

1. (1) In this Act, unless the context otherwise indicates -

“actuary” means any person who is a fellow of the Institute of Actuaries of England or of the Faculty of Actuaries in Scotland or of any like institute, faculty, society or other association regulating the admission to, the qualification or registration for, and the practise of, the profession of actuaries and which is recognized by the Registrar for the purposes of this Act;

“advisory committee” means the Advisory Committee on Long-term Insurance established by section 12(1);

“auditor” means an auditor who -

- (a) is registered in terms of the Public Accountants' and Auditors' Act, 1951 (Act 51 of 1951);
- (b) is a member of an institution recognized by the Registrar, for the purposes of this Act, as a controlling body for auditors; and
- (c) is resident in Namibia;

“Companies Act” means the Companies Act, 1973 (Act 61 of 1973);

“deposit premium” means a provisional premium which is agreed upon in

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the event of it being impossible at the due date of the premium to determine the exact premium, and which represents a reasonable estimate of the premium;

“director” means a person holding office as director or alternate director of a company incorporated in terms of the Companies Act;

“disability event” means the event of the functional ability of the mind or body of a person or an unborn becoming impaired;

“disability insurance business” means the business of providing or undertaking to provide policy benefits under disability policies;

“disability policy” means a contract in terms of which a person, in return for a premium, undertakes to provide policy benefits upon a disability event, and includes a reinsurance policy in respect of such a contract;

“domestic policy” means a policy issued in Namibia and which is payable in Namibia in the currency of Namibia, and includes a policy which was issued anywhere by an existing insurer in the course of carrying on long-term insurance business in Namibia -

- (a) on or after 21 March 1990 but before the commencement of this Act, other than such a policy in respect of which the owner thereof has before such commencement in writing requested the existing insurer concerned that it not be made payable in Namibia in the currency of Namibia; or
- (b) before 21 March 1990 and which policy has after the date of issue thereof been made payable in Namibia in the currency of Namibia at the request of the owner thereof;

“due date” means -

- (a) in relation to a premium -
 - (i) in the case of a new policy, the inception date of the policy;
 - (ii) in the case of an existing policy which has been renewed, the renewal date of the policy; and
 - (iii) in the case of any extension or other change of an existing policy, the inception date of such extension or other change; and
- (b) in relation to an instalment of a premium, the commencement date of the period in respect of which the instalment is payable;

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“existing insurer” means a person who at any time before the commencement of this Act carried on long-term insurance business in Namibia;

“financial year” means -

(a) in relation to -

- (i) a registered insurer and reinsurer; and
- (ii) an insurance agent, an insurance broker and a reinsurance broker to which the provisions of section 285(1) of the Companies Act apply,

the financial year of the registered insurer or reinsurer, or the insurance agent or insurance broker or reinsurance broker, determined in terms of the said section 285(1); and

(b) in relation to an insurance agent, an insurance broker and a reinsurance broker other than an insurance agent, an insurance broker and a reinsurance broker referred to in subparagraph (ii) of paragraph (a), the annual accounting period of 12 months of the insurance agent or insurance broker or reinsurance broker, the first such period commencing on the first day of the month immediately following the month during which the insurance agent or insurance broker or reinsurance broker was registered as such;

“foreign insurer” means a person registered in terms of the laws of a country other than Namibia to carry on insurance business;

“foreign reinsurer” means a person registered in terms of the laws of a country other than Namibia to carry on reinsurance business;

“fund” means -

- (a) a friendly society as defined in section 1 of the Friendly Societies Act, 1956 (Act 25 of 1956);
- (b) a pension fund organization as defined in section 1 of the Pension Funds Act, 1956 (Act 24 of 1956);
- (c) a medical aid fund registered under the Medical Aid Funds Act, 1995 (Act 23 of 1995);
- (d) a permanent fund established for the purposes of providing benefits to its members in the event of sickness, accident or unemployment, or of providing benefits to surviving spouses, children, dependants or nominees of deceased members, or mainly for these purposes; or

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(e) any other prescribed person, arrangement or business;

“fund insurance business” means the business of providing or undertaking to provide policy benefits under fund policies;

“fund policy” means a contract in terms of which a person, in return for a premium, undertakes to provide policy benefits for the purposes of funding in whole or in part the liability of a fund to provide benefits to its members in terms of its rules, other than such a contract relating exclusively to a particular member of the fund or to the surviving spouse, children, dependants or nominees of a particular member of the fund, and includes a reinsurance policy in respect of such a contract;

“funeral insurance business” means the business of providing or undertaking to provide policy benefits under funeral policies;

“funeral policy” means a contract in terms of which a person, in return for a premium, undertakes to provide on the death of a particular person policy benefits, not exceeding such amount as may be prescribed, consisting mainly of the provision of a funeral for the deceased person or the granting to another person of some other non-monetary benefit, whether or not the policy provides for -

- (a) the payment, at the option of the insurer or the reinsurer or any other person, of a sum of money instead of the provision of such funeral or the granting of such other non-monetary benefit; or
- (b) the payment of a sum of money in addition to the provision of such funeral or the granting of such other non-monetary benefit,

and includes a reinsurance policy in respect of such a contract;

“health event” means an event relating to the health of the mind or body of a person or an unborn;

“health insurance business” means the business of providing or undertaking to provide policy benefits under health policies;

“health policy” means a contract in terms of which a person, in return for a premium, undertakes to provide policy benefits upon a health event, and includes a reinsurance policy in respect of such a contract;

“insurance agent” means a person who on behalf of one or more insurers -

- (a) solicits long-term insurance business; or
- (b) performs any act relating to the receiving of proposal forms for

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such business or the issue of policies or the collection of premiums in respect of such business,

but does not include an employee of an insurer unless the remuneration of that employee comprises commission;

“insurance broker” means a person who on behalf of any other person negotiates long-term insurance business other than reinsurance business with one or more insurers, but does not include an insurance agent or an employee of an insurer unless the remuneration of that employee comprises commission;

“life event” means the event of the life of a person or an unborn -

- (a) having begun; or
- (b) continuing; or
- (c) having continued for a period; or
- (d) having ended;

“life insurance business” means the business of providing or undertaking to provide policy benefits under life policies;

“life policy” means a contract in terms of which a person, in return for a premium, undertakes to -

- (a) provide policy benefits upon, and solely for the reason of, a life event; or
- (b) pay an annuity for a period,

and includes a reinsurance policy in respect of such a contract;

“long-term insurance business” means the business of providing or undertaking to provide policy benefits under long-term policies, but does not include -

- (a) the activities of an association of persons established for the purposes of rendering aid to its members or their dependants, commonly called a friendly society, which is registered under the Friendly Societies Act, 1956 (Act 25 of 1956), or which is exempted in terms of section 3(2) of that Act from the requirement to be so registered, and which does not at any time after the commencement of this Act employ a person whose main remunerated occupation consists of inducing persons to become members of the association or collecting from

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those members contributions or subscriptions towards the funds of the association;

- (b) the activities of a pension fund, a provident fund or a retirement annuity fund as defined in section 1 of the Income Tax Act, 1981 (Act 24 of 1981), which is registered as a pension fund organization under the Pension Funds Act, 1956 (Act 24 of 1956), or which is exempted in terms of section 2(3)(a)(i) of that Act from the requirement to be so registered, if and so far as it acts in accordance with the provisions of that Act;
- (c) any activity connected with and subsidiary to any business other than insurance or reinsurance, which in the opinion of the Registrar is not long-term insurance business as ordinarily understood;
- (d) any such business as may be prescribed which shall be deemed not to be long-term insurance business for the purposes of this Act;

“long-term policy” means a disability policy, fund policy, funeral policy, health policy, life policy or sinking fund policy, or a contract comprising a combination of any of these policies;

“Minister” means the Minister of Finance;

“net liabilities” means the liabilities of a registered insurer or reinsurer reduced to the extent that any such liabilities have been reinsured with another registered insurer or reinsurer;

“owner”, in relation to a policy, means the person who is entitled to enforce any benefit provided for in the policy;

“Permanent Secretary” means the Permanent Secretary: Finance;

“policy” means a contract, irrespective of the form in which the rights and obligations of the parties thereto are expressed or created;

“policy benefits” means one or more sums of money, services or other benefits, including an annuity;

“policyholder” means the owner of a policy;

“premium” means the consideration given or to be given in return for an undertaking to provide policy benefits and includes a deposit premium;

“prescribed” means prescribed by regulation;

“principal officer” means the person appointed by a registered insurer or reinsurer in terms of section 19;

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“public company” means a public company with a share capital incorporated in Namibia in terms of the Companies Act or any law repealed by that Act;

“registered” means registered in terms of this Act, and “registration” shall have a corresponding meaning;

“registered insurer” means a person registered as an insurer in terms of section 16(3) to carry on long-term insurance business;

“registered reinsurer” means a person registered as a reinsurer in terms of section 16(3) to carry on long-term insurance business;

“Registrar” means the Registrar of Long-term Insurance or a Deputy Registrar of Long-term Insurance, as the case may be, designated in terms of section 4;

“reinsurance broker” means a person who on behalf of any insurer negotiates reinsurance business with one or more reinsurers;

“reinsurance business” means the business of insuring any insurer or reinsurer in respect of the insurer's or reinsurer's contractual obligations under any long-term policy;

“sinking fund insurance business” means the business of providing or undertaking to provide policy benefits under sinking fund policies;

“sinking fund policy” means a contract, other than a life policy, in terms of which a person, in return for a premium, undertakes to provide one or more sums of money on a fixed or determinable future date as policy benefits, and includes a reinsurance policy in respect of such a contract;

“staff member” means a staff member as defined in section 1(1) of the Public Service Act, 1995 (Act 13 of 1995);

“this Act” includes the regulations;

“unborn” means a human fetus, conceived but not born, and for the purposes of this Act the life of an unborn is deemed to begin at conception;

“unimpaired reserves” means funds which have been set aside, and which are disclosed as such in the balance sheet of a registered insurer or reinsurer, or which are included in the funds set aside and attributed to policyholders by the registered insurer or reinsurer in its balance sheet, otherwise than for the purposes of meeting its net liabilities under unmatured domestic policies, as calculated in terms of section 35, or any other particular known or determinable obligation for which the registered insurer or reinsurer is or expects to become liable;

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“valuator” means a valuator referred to in section 24(1).

(2) Except where it is inconsistent with the context or clearly inappropriate, a reference in this Act to a reinsurer shall be construed as a reference to a registered reinsurer.

Unregistered person may not carry on long-term insurance business

2. (1) No person shall, after the expiry of 90 days from the commencement of this Act, carry on long-term insurance business in Namibia unless such person is registered to carry on such business.

(2) Notwithstanding the provisions of subsection (1), the Registrar may, if he or she is satisfied that no registered insurer or reinsurer can in any particular case provide long-term insurance cover at equitable terms, grant exemption to any foreign insurer or foreign reinsurer to issue a policy payable in Namibia in the currency of Namibia to provide such cover.

(3) For the purposes of subsection (1), a person shall, in the absence of evidence to the contrary, be deemed to carry on long-term insurance business in Namibia, if such person performs in Namibia -

- (a) any act the object or result of which is that another person enters into or varies a long-term policy in terms of which such first-mentioned person undertakes to provide policy benefits; or
- (b) in relation to a long-term policy in terms of which such first-mentioned person has undertaken to provide policy benefits, any act directed towards -
 - (i) maintaining, servicing, surrendering, or otherwise dealing with, or providing a loan in respect of, or on the security of, such policy; or
 - (ii) collecting or accounting for premiums payable under such policy; or
 - (iii) receiving, submitting, settling, assisting or otherwise dealing with, a claim under such policy.

Limitation of insurance business and policies

3. (1) No registered insurer or reinsurer shall -
- (a) in Namibia carry on insurance business other than long-term insurance business;

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- (b) in Namibia issue policies other than written domestic policies;
- (c) vary a domestic policy so that it becomes payable either outside Namibia or in a currency other than the currency of Namibia, or both:

Provided that at the request of the registered insurer or reinsurer concerned, the Registrar may, if he or she is satisfied that it will not be detrimental to the interests of policyholders and will not be contrary to the public interest-

- (i) grant, subject to the provisions of any law, prior approval to that registered insurer or reinsurer to effect or renew reinsurance business outside Namibia subject to such conditions or limitations as may be determined by the Registrar;
 - (ii) grant exemption for a policy to be issued in a currency other than the currency of Namibia, provided every premium payable in respect of the policy is payable in Namibia in the same currency as that in which the policy is issued.
- (2) The provisions of subsection (1) shall apply *mutatis mutandis* in relation to an existing insurer.

**PART II
ADMINISTRATION OF ACT**

Registrar and Deputy Registrar of Long-term Insurance

4. (1) The Minister shall designate a staff member to be the Registrar of Long-term Insurance and who shall exercise the powers and perform the duties conferred or imposed upon the Registrar by or under this Act.

(2) The Minister may designate one or more staff members to be Deputy Registrar or Deputy Registrars of Long-term Insurance and who shall, subject to the control and directions of the Registrar, be competent to exercise any power and perform any duty which the Registrar is permitted or required to perform.

Objects of Registrar

5. The objects of the Registrar are to ensure -
- (a) that long-term insurance business in Namibia -

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- (i) is carried on in accordance with the provisions of this Act; and
 - (ii) is efficiently administered, controlled and regulated; and
- (b) that every registered insurer, reinsurer, insurance agent, insurance broker and reinsurance broker at all times maintains a sound financial position with regard to any long-term insurance business carried on in terms of this Act.

Power of Registrar to obtain information

6. The Registrar may by written notice require -
- (a) any registered insurer, reinsurer, insurance agent, insurance broker or reinsurance broker;
 - (b) any other person who the Registrar has reason to suspect is carrying on business or is engaged in activities in contravention of a provision of this Act,

to submit or furnish to the Registrar, within a period specified in the notice, any such document or information relating to the affairs of the registered insurer, reinsurer, insurance agent, insurance broker or reinsurance broker or such other person as the Registrar may reasonably require for the purposes of the performance of his or her functions in terms of this Act.

Power of Registrar to extend certain periods

7. Where any person is obliged or entitled in terms of a provision of this Act to perform any act within a specified period or before or on a specified date, the Registrar may at any time, whether before or after the expiry of that period or date, extend that period or date if the Registrar is satisfied that it is just and equitable to do so in any particular case.

Powers of inspection of Registrar

8. In addition to the powers and duties conferred or imposed upon the Registrar by or under this Act, the Registrar shall, for the purposes of the performance of his or her functions in terms of this Act, have powers and duties in all respects corresponding to the powers and duties conferred or imposed by or under the Inspection of Financial Institutions Act, 1984 (Act 38 of 1984), upon a registrar referred to in the last-mentioned Act.

LONG-TERM INSURANCE ACT, 1998**Delegation of powers and assignment of duties**

9. The Registrar may, subject to such conditions as he or she may determine, delegate any power or assign any duty conferred or imposed upon him or her by or under this Act to a staff member, but the Registrar shall not thereby be divested or relieved of the power or duty so delegated or assigned.

Appeal against decisions of Registrar or staff members

10. (1) Any person aggrieved by a decision of the Registrar, or of any staff member acting by virtue of a delegation or an assignment under section 9, may appeal against the decision to the Minister.

(2) The appeal shall be in the form of a written statement which shall -

- (a) contain a full description of the subject matter of the decision to which the appeal relates and the grounds of appeal; and
- (b) be submitted to the Minister within 30 days after the appellant has received notification of the decision to which the appeal relates.

(3) Upon receipt of the appeal, the Minister shall transmit a copy thereof to the Registrar, who shall forthwith furnish the Minister with a written statement of the reasons for the decision to which the appeal relates.

(4) After consideration of the statements referred to in subsections (2) and (3) and of such other evidence, information or representations as the Minister may deem relevant or may require, including, if the Minister so chooses, any comments of the advisory committee on the appeal, the Minister may confirm, vary or set aside the decision to which the appeal relates.

(5) The Minister shall notify the appellant in writing of his or her decision on the appeal.

Annual report by Registrar

11. The Registrar shall annually, not later than 31 July of each year, submit to the Minister a report on his or her activities in terms of this Act during the period of 12 months preceding 31 March of that year and shall furnish such other information relating to anything done by the Registrar in terms of this Act as the Minister may require.

LONG-TERM INSURANCE ACT, 1998**Advisory committee**

12. (1) There is hereby established a committee to be known as the Advisory Committee on Long-term Insurance.
- (2) The advisory committee shall consist of -
- (a) the Registrar, who shall be the chairperson; and
- (b) at least four other members appointed from time to time by the Minister in terms of subsection (3).
- (3) The Minister shall appoint as members of the advisory committee persons who in his or her opinion possess the necessary expertise in long-term insurance business to represent the interests of policyholders and to make a substantial contribution towards the functions of the advisory committee.
- (4) The members of the advisory committee shall designate as secretary to the advisory committee a staff member nominated by the Registrar from among the staff of his or her office.
- (5) If the chairperson of the advisory committee is absent from any meeting of such committee, the members present thereat may elect one of their number to preside at that meeting.
- (6) A member of the advisory committee appointed by the Minister shall -
- (a) hold office for a period of three years and shall be eligible for reappointment upon the expiry of his or her term of office;
- (b) vacate his or her office if he or she resigns or if the Minister removes him or her from office under subsection (7).
- (7) The Minister may at any time remove a member of the advisory committee appointed by him or her from office if he or she is of the opinion that there are sufficient reasons for doing so.
- (8) Each member of the advisory committee appointed by the Minister may, with the concurrence of the Minister, nominate as alternate member a person who is equally capable of representing the field of expertise for which the member has been appointed, and any alternate member so nominated may during the absence of the member by whom he or she has been nominated or his or her inability to act as member, act as member in the place of that member.
- (9) The remuneration and allowances of a member of the

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advisory committee not being in the full-time employment of the State shall be determined from time to time by the Minister.

(10) The advisory committee may with the prior approval of the Minister conduct any investigation into, and advise or make recommendations to the Minister on, any matter relating to long-term insurance business, and shall advise or make recommendations to the Minister on any such matter referred to it by the Minister, but no advice or recommendation so given or made by the advisory committee shall be binding upon the Minister unless otherwise provided in this Act.

(11) The Registrar may, at the request of the advisory committee, submit to such committee any information which is in his or her possession or which he or she may obtain and which is relevant to any matter which such committee is investigating or considering.

(12) Meetings of the advisory committee shall be held at such times and places as the chairperson of such committee may determine.

(13) The advisory committee may, with the approval of the Minister, make rules relating to the procedure at its meetings, including the quorum for such meetings and its decisions thereat.

PART III
CLASSIFICATION OF LONG-TERM INSURANCE
BUSINESS AND REGISTRATION AND
CANCELLATION OF REGISTRATION OF
INSURERS AND REINSURERS

Classes of long-term insurance business

13. (1) The classes of long-term insurance business in respect of which -

- (a) an insurer may be registered to carry on business other than reinsurance business;
- (b) a reinsurer may be registered to carry on reinsurance business only,

in Namibia are -

- (i) disability insurance business;
- (ii) fund insurance business;
- (iii) funeral insurance business;

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- (iv) health insurance business;
- (v) life insurance business;
- (vi) sinking fund insurance business.

(2) If a registered insurer or reinsurer or a person applying for registration and the Registrar do not agree as to the class to which any particular long-term insurance business belongs, or if such insurer or reinsurer or person so requests, the Registrar shall determine the class under which such business shall be dealt with.

Registration of existing insurers

14. (1) Every person who immediately before the commencement of this Act was lawfully carrying on any particular class of long-term insurance business in Namibia as a registered insurer in terms of the Insurance Act, 1943 (Act 27 of 1943), shall, within 30 days after such commencement, notify the Registrar in writing whether such person intends to continue to carry on that particular class of long-term insurance business in terms of this Act.

(2) Where a person referred to in subsection (1) notifies the Registrar that such person intends to continue to carry on business as a long-term insurer or reinsurer in any particular class of long-term insurance business, such person shall, within 60 days after the commencement of this Act, apply to the Registrar for registration in respect of that particular class of long-term insurance business.

(3) An application for registration referred to in subsection (2) shall -

- (a) be made in such manner and form as may be determined by the Registrar; and
- (b) be accompanied by -
 - (i) such documents and information as the Registrar may require in the particular case; and
 - (ii) the prescribed application fees.

(4) Where a person referred to in subsection (1), in circumstances other than the circumstances contemplated in subsection (7), notifies the Registrar that such person does not intend to continue to carry on business as a long-term insurer or reinsurer in any particular class of long-term

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insurance business, that notification shall be deemed to be an application by a registered insurer or reinsurer in terms of subsection (1) of section 17 for cancellation of its registration and shall be dealt with in accordance with the provisions of that section.

(5) Where a person referred to in subsection (1) fails to notify the Registrar of such person's intention as required by that subsection, the Registrar shall by written notice inform such person that he or she intends to cancel such person's registration, and such person may thereupon, within 30 days from the date of receipt of that notice, make written representations to the Registrar in connection with the matter.

(6) After consideration of the representations referred to in subsection (5) or, if no such representations have been made, upon the expiry of the period mentioned in that subsection, the Registrar may -

- (a) permit the person concerned to apply for registration within such period as may be determined by the Registrar, but within a period not exceeding 45 days from the date on which such person has been permitted to apply for registration; or
- (b) by written notice to the person concerned and by notice in the *Gazette* cancel such person's registration with effect from a date specified in those notices.

(7) Where a person referred to in subsection (1) intends to continue to carry on any particular class of long-term insurance business but is disqualified from being registered as an insurer or a reinsurer solely by reason of the fact that such person is not a public company, as required in terms of section 16(1)(a), such person shall, within 30 days after the commencement of this Act, in writing notify the Registrar accordingly and state in that notice which of the arrangements contemplated in subsection (9) such person intends to make.

(8) Upon receipt of a notice referred to in subsection (7), the Registrar shall by written notice to the person concerned and by notice in the *Gazette* prohibit such person, with effect from a date specified in those notices, from -

- (a) issuing policies or policies relating to any particular class of long-term insurance business; and
 - (b) varying, in whatever way, domestic policies issued by such person, which variation has the effect of increasing the liabilities of such person in respect of domestic policies.
- (9) Where the Registrar prohibits a person in terms of subsection

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(8) from issuing and varying policies, the Registrar shall require such person to make proper arrangements for ensuring that such person's liabilities under policies or policies relating to the particular class of long-term insurance business, as the case may be, issued by such person will be met, either -

- (a) by the transfer, notwithstanding the provisions of section 36, but subject to the written approval of the Registrar and to the provisions of subsection (10), of such person's long-term insurance business in Namibia to a registered insurer or reinsurer, as the case may be; or
- (b) by continuing, subject to the prohibition imposed in terms of subsection (8) and to such conditions as may be determined by the Registrar, to carry on any particular class of long-term insurance business only -
 - (i) in respect of the domestic policies issued by such person before the date as from which such person is prohibited from issuing policies; and
 - (ii) until such person's liabilities under the policies referred to in subparagraph (i) have been met,

and until such person's liabilities have been met in terms of this subsection, such person shall be deemed to have been registered to carry on long-term insurance business subject to the provisions of this Act.

(10) Before a transfer of long-term insurance business in terms of subsection (9)(a) is approved by the Registrar -

- (a) a statement setting out the nature of the proposed transfer together with -
 - (i) an abstract containing the terms and conditions of the scheme for the proposed transfer; and
 - (ii) where applicable, copies of the actuarial reports upon which such scheme is founded, including, if so required by the Registrar, a report by a valuator, approved by the Registrar,

shall, within 60 days after the commencement of this Act, be submitted by the registered insurers or reinsurers concerned to the Registrar and, if so directed by the Registrar, be published in one or more newspapers, as the Registrar may direct;

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- (b) the scheme for the proposed transfer, together with the actuarial reports, shall be open for inspection, free of charge, by policyholders, shareholders and creditors of the registered insurers or reinsurers concerned at the principal offices of such insurers or reinsurers for a period of not less than 21 days; and
- (c) the Registrar shall satisfy himself or herself that the scheme for the proposed transfer will not be detrimental to the interests of policyholders and will not be contrary to the public interest.

(11) The provisions of subsections (7) and (9) of section 36 shall apply *mutatis mutandis* in respect of a transfer of long-term insurance business in terms of subsection (9)(a), and for that purpose any reference in those subsections to the High Court shall be construed as a reference to the Registrar.

(12) Notwithstanding anything to the contrary in any law contained, no tax, or transfer or stamp duty, or registration, licence or other fees, shall be payable upon the effecting or recording of the transfer of any property, mortgage, other right, appointment or licence in terms of subsection (9)(a).

Application for registration of new insurers and reinsurers

15. (1) Any person who intends to carry on business as a long-term insurer or reinsurer in any particular class of long-term insurance business in Namibia shall, subject to the provisions of this Act, apply to the Registrar for registration in respect of that particular class of long-term insurance business.

- (2) An application for registration referred to in subsection (1) shall -
 - (a) be made in such manner and form as may be determined by the Registrar; and
 - (b) be accompanied by -
 - (i) such documents and information as the Registrar may require in the particular case; and
 - (ii) the prescribed application fees.

LONG-TERM INSURANCE ACT, 1998**Requirements for registration of insurers and reinsurers, including capital and reserves**

16. (1) No person shall be registered as an insurer or a reinsurer in respect of any class of long-term insurance business unless such person -

(a) is a public company managed by a board of directors of which -

(i) the managing director; and

(ii) at least 50 per cent of the other directors,

shall, having regard to the provisions of section 19(1)(b), be Namibian citizens resident in Namibia: Provided that the Registrar may in exceptional circumstances grant written permission that a managing director may, for such period as may be determined by the Registrar, be a person other than a Namibian citizen; and

(b) has in respect of such business in Namibia capital consisting of paid-up shares, or other funds approved by the Registrar, set aside solely for that purpose subject to such conditions as may be determined by the Registrar, amounting to not less than -

(i) in the case of a person applying for registration in respect of funeral insurance business only, N\$100 000; or

(ii) in the case of a person applying for registration in respect of any one class of -

(aa) long-term insurance business other than funeral insurance business and reinsurance business, N\$1 000 000; or

(bb) reinsurance business, N\$5 000 000; or

(iii) in the case of a person applying for registration in respect of any two or more classes of -

(aa) long-term insurance business other than reinsurance business, N\$4 000 000; or

(bb) reinsurance business, N\$10 000 000; and

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- (c) has, subject to such conditions as may be determined by the Registrar, deposited with the Treasury an amount, or securities approved by the Registrar having an aggregate value, of not less than -
- (i) in the case of a person applying for registration in respect of funeral insurance business only, N\$50 000; or
 - (ii) in the case of a person applying for registration in respect of any one class of -
 - (aa) long-term insurance business other than funeral insurance business and reinsurance business, N\$100 000; or
 - (bb) reinsurance business, N\$500 000; or
 - (iii) in the case of a person applying for registration in respect of any two or more classes of -
 - (aa) long-term insurance business other than reinsurance business, N\$200 000; or
 - (bb) reinsurance business, N\$1 000 000.

(2) When considering an application for registration referred to in section 14(2) or 15(1), as the case may be, the Registrar shall satisfy himself or herself that -

- (a) it will not be contrary to the public interest for the applicant to carry on any particular class of long-term insurance business;
- (b) the manner in which the applicant intends to carry on long-term insurance business is not likely to be inconsistent with the provisions of this Act;
- (c) the memorandum of association and articles of association or the regulations of the applicant, as the case may be, are not inconsistent with the provisions of this Act and that the main objects of the applicant stated therein include the following, namely -
 - (i) to carry on any particular class or classes of long-term insurance business;