



## LONG-TERM & SHORT-TERM INSURANCE BROKER OR REINSURANCE BROKER

### MANNER OF CARRYING ON LONG-TERM AND SHORT-TERM INSURANCE BUSINESS IN NAMIBIA

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What YOU should know when carrying on insurance business in Namibia in terms of the Long-Term Insurance Act No. 5 of 1998 and Short-Term Insurance Act No. 4 of 1998.

#### 1. REGISTRATION

##### 1.1. NAME

- a. **Legal person:** Broker Company must be registered with the Registrar of Companies, Ministry of Trade and Industry. Thereafter apply to the Registrar of Insurance for
  - Name Reservation
  - Registration for insurance brokerage
- b. **Natural person:** an individual person must directly apply to the Registrar of Insurance for registration as an insurance broker and must have a defensive name from the Ministry of Trade and Industry.

##### 1.2. REQUIREMENTS

- a. Complete Namfisa' Application Form for Registration & must be signed by Principal Officer
- b. Pay a Registration fees of N\$ 200.00
- c. Compulsory Documents required for Registration
  - Legal Person or Broker Company:**
    - Memorandum and Articles of Association or Founding

Statement (part of the principal business should include insurance brokerage business)

- Certified copies of Directors or Members' ID/Passport/Birth Certificates
- Municipality Certificate of Registration / Fitness
- 3 Letters of Intent or (Agreement) from Insurers  
**(Natural person is also required to submit this letter)**
- Professional Indemnity insurance of a minimum N\$1,000,000.00
- Membership Certificate with Broker controlling Body (NIBA or AIM)

#### **Principal Officer / Broker's**

- Abridged Curriculum Vitae (CV )
- Certified copies of Highest Educational Qualifications
- Sworn Affidavit and Fit & Proper Questionnaire signed in-front of Commissioner of Oath and a Certified Police Clearance Certificate (Code of Conduct) or Applicant may submit a copy of receipt of application of the Code of Conduct.
- Certified Copy of ID/Passport/Birth Certificate
- Residence Permit or Work Permit (if not Namibian)

## **2. SUBMISSION OF ANNUAL RETURNS**

In term of section 58 of the Long-Term Insurance Act (No.5 of 1998) and section 56 of the Short-Term Insurance Act (No.4 of 1998), every insurance broker / reinsurance broker is required to:

- 4.1 keep proper accounts of, and financial information relating to the long-term/short-term insurance business; and
- 4.2 annually, within six months after the end of the financial year, submit annual returns to the Registrar and such other information as the Registrar may require

## **3. COPY OF REGISTRATION CERTIFICATE**

A registered insurance broker may request in a written form a certified copy of its registration from the Registrar. A certified copy will then be given to the

agent at fees of N\$50 as prescribed in Annexure A of the Long-term and Short-Term Regulations of 1998.

#### **4. REMUNERATION**

Remuneration of an insurance broker/ reinsurance broker is prescribed in Regulation 13 of Long-Term Insurance and Regulation 6 of Short-Term Insurance

##### **4.1 PERCENTAGE OF COMMISSION PAYABLE**

- 4.1.1 Credit Life Insurance 20%
- 4.1.2 Sinking Fund Insurance 2.50%
- 4.1.3 Other Long-term Insurance 7.50%
- 4.1.4 Vehicle Insurance 12.5%
- 4.1.5 Other Short-term Insurance 20%

##### **4.2 LIMITATION**

No other consideration other than commission in a monetary form should be directly or indirectly paid/ allowed/given/accepted by an insurance broker or reinsurance.

#### **5. CANCELLATION OF REGISTRATION**

##### **5.1 VOLUNTARILY CANCELLATION OF REGISTRATION**

An Insurance Broker, who intends to cease trading as agent in Namibia, must apply for voluntarily cancellation of registration.

The application for voluntarily cancellation of registration should be made in the following manner as prescribed by the Authority:

- a. Complete Namfisa Voluntarily De-registration Application Form
- b. Return Namfisa original certificate of registration
- c. Letter from Insurers confirming the termination of Broker Agreement
- d. Letter from a Broker Controlling Body confirming the cancellation of membership

## **5.2 ACQUISITION / MERGER WITH ANOTHER BROKER COMPANY**

An Insurance Broker, who intends to sell its insurance business portfolio to another Broker company, must inform the Registrar.

The Registrar should be informed in the following manner as prescribed:

- a. Write a letter to the Registrar giving reasons and date on which the sale will be concluded.
- b. Complete Namfisa Voluntarily De-registration Application Form
- c. Return Namfisa original certificate of registration

## **5.3 CANCELLATION OF REGISTRATION BY THE REGISTRAR**

The Registrar may cancel the registration of any insurance broker/reinsurance broker not complying with section 59 of the Long-Term insurance Act (No.5 of 1998) and section 53 of the Short-Term insurance Act (No.4 of 1998) and / or not complying with the effect of carrying long-term and short-term insurance business as prescribed in the Long-Term Insurance Act (No.5 of 1998) and Short-Term Insurance Act (No.4 of 1998).

## **6. CHANGE OF NAME**

Insurance Broker should apply for a name change as prescribed by section 18 of the Long-term Act (No. 5 of 1998) and section 18 of the Short-Term Insurance Act (No. 4 of 1998). The Name Change must be done in the following manner

- 8.1 Complete Namfisa Name Change Application Form
- 8.2 Pay a Name Change Registration fees of N\$ 100.00
- 8.3 Submit the initial Namfisa certificate of registration
- 8.4 Submit the Certificate of name change from the Registrar of Companies

## **7. MOVEMENT OF INSURANCE BROKER(S) WITHIN THE INDUSTRY**

Every registered insurance broker (natural person) is required to provide the Authority with its new contact details i.e. Physical, Postal and Email Addresses, Telephone, Cellphone and Facsimile Numbers.