

# THE LINK



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Newsletter of the Non-Bank Financial  
Institutions Regulatory Authority

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## NBFIRA unveils new corporate identity

The Non-Bank Financial Institutions Regulatory Authority (NBFIRA) unveiled its new corporate identity in July 2013. "The Authority, which was established five years ago has been operational without a brand, and finally it has a face", said NBFIRA Board Chairperson Mmatlala Dube.

The chairperson pointed out that the corporate branding comes after the Authority has been operating with a number of teasers in some of their correspondences, business cards and some other formal identification. "However, feedback from stakeholders on the appropriateness of such branding was used to ultimately end up with the new logo we have today," said the chairperson.

She added that since inception the Authority has faced challenges of funding, as dependence on government subventions proved to be inadequate for its operational needs. "Despite the circumstances we managed to use limited resources to keep the Authority functioning, and the Authority has achieved satisfactory implementation level of its first strategic plan." She said. The chairperson added that with the cooperation of their multiple stakeholders they will be able to achieve their goal of contributing to increased levels of confidence in the financial stability of the

Botswana non-bank financial sector. For his part, NBFIRA Deputy Board Chairperson Hon. N. C. Greenland, said as the Authority grows its influence and presence it contributes towards its mandated purpose hence the need to develop a strong corporate signature mark. "This is of particular importance for a regulatory authority charged with instilling customer confidence. The new logo will serve as a fingerprint that uniquely identifies NBFIRA's presence in the regulatory sector," Greenland said.

Meanwhile, Minister of Finance and Development Planning Kenneth Matambo said that NBFIRA's brand is a combination of a name, symbol, color and human resources competencies, which will enable the Authority to become a reputable regulatory authority, consistent with the authority's corporate values.

The Minister said that since its inception in 2008, the authority has made significant progress in implementing the regulatory framework. He said the promulgation of micro lending regulations in 2012 was a major step towards establishing financial soundness in the sector.

He added that over the years it has proven that the Government subvention has been inadequate for the Authority's operational needs. "The publication of regulations for the collection of supervisory levies and fees has significantly improved the Authority's funding and will reduce dependence on Government. Hon. Matambo stated with confidence that his Ministry aims through NBFIRA, to curb the current abusive lending practices in Botswana's previously unregulated and high-risk non-bank financial institutions sector.



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**Dear Readers,**

**I would like to welcome readers to our first newsletter publication whose purpose is to keep consumers of non-bank financial institutions and the general public informed about key facts of financial services and products that consumers ought to know.**

# Editor's Note

The Non-Bank Financial Institutions Regulatory Authority was established as an Independent regulatory agency in April 2008 with the principal objective Pursuant to Section 8 of the NBFIRA Act among others being to foster stability of the financial system, safety and soundness of the non-bank financial institutions and highest standards of conduct of the business by the non-bank financial institutions.

In the recent financial crisis, financial distress at certain non-bank financial institutions contributed to a broad seizing of financial markets and stress at other financial companies. Observers noted that many of these non-bank institutions were not subjected to the type of regulation and consolidated supervision somewhat applied to banks. It is against this backdrop that NBFIRA has come up with effective regulatory supervision approach called the Risk Based Regulatory Model to help counter threats to the non-bank sector's financial stability and any other risk related factors.

The NBFIRA Act advocates for dissemination of information to stakeholders and concerned parties on undertakings pursued by NBFIRA. The Act further recognizes the need to have a platform for exchanging information

with concerned stakeholders on matters of interest to them, if such exchange is in the furtherance of the objectives of the Regulatory Authority. In this regard the Non-Bank Financial Institutions Regulatory Authority has issued Public Notices in various newspapers for the purpose of information sharing on issues of lack of compliance by regulated/ licensed and non-regulated/ licensed entities dealing within the confines of the NBFIRA Act to protect consumers from conducting business with them.

Through this publication, our website and other public & consumer education initiatives, we will continue to engage the public and hold industry meetings to update and hear regulated entities concerns subject to the Regulatory Framework.

I invite you to engage us through different mediums we have put in place to seamlessly communicate on regulatory issues and to address your concerns.

**Tapologo Kwapa**

# about NBFIRA

Non-Bank Financial Institutions Regulatory Authority (NBFIRA) was established as an independent regulatory agency for the non-bank financial institutions in April 2008.

As outlined in section 8 of the NBFIRA ACT, the principal objective on NBFIRA is to regulate and supervise the non-bank financial institutions so as to foster the:

- a) Safety and soundness of non-bank financial institutions
- b) Highest standard of conduct of business by non-bank financial institutions
- c) Fairness, efficiency and orderliness of the non-bank financial sector
- d) Stability of the financial system
- e) Reduction and deterrence of financial crime

The legislative framework governing the operations of both NBFIRA and supervised institutions is known as the “financial services law” and includes:

- NBFIRA Act
- Pension and Provident Fund Act
- International Insurance Act
- Insurance Industry Act
- Botswana Stock exchange Act
- Collective Investment Undertaking Act
- Part XVI of the Income Tax Act

## VISION

To be an efficient and effective regulatory and supervisory Authority in line with International best practices

## MISSION

To regulate and supervise Non-Bank Financial Institutions for the purpose of contributing towards financial stability

## VALUES

- a) **Integrity;**  
We adhere to the highest ethical standards
- b) **Transparency;**  
We are open and frank in our operations
- c) **Fairness;**  
We consistently promote equal treatment in dealings with all stakeholders
- d) **Accountability;**  
We are responsible to our stakeholders
- e) **Diligence;**  
we are thorough and persistent in the execution of our duties. of the below directorates;

- Corporate Services
- Capital Markets
- Insurance
- Lending department
- Pensions

### Corporate Services

The department provides strategic leadership in the designing and implementation of ICT, finance communications and public affairs, accounting, and human resources capital strategies, policies, and programmes for the authority.

### Capital Markets

Capital markets department leads in the development and review of the regulatory framework for Capital Markets and ensure that all regulated activities in the sector are conducted in strict compliance with the governing laws.

### Insurance

The insurance department leads in the development and review of the regulatory framework for the Insurance market in order to create an efficient, orderly and fair market. It also reviews consumer protection and public

awareness policies in order to ensure consumer and public confidence in the market.

### Pensions

The pensions department leads in the development and review of the regulatory framework for the Pension market in order to create an efficient, orderly and fair market. It also reviews consumer protection and public awareness policies in order to ensure consumer and public confidence in the market.

### Lending

The Department of lending at NBFIRA is charged with the implementation of provisions of the Micro lending Regulations and the NBFIRA Act defined as Financial Services Law under NBFIRA. Functions include, licensing, off-site monitoring, on-site inspections, enforcements, and complaints handling.

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## NBFIRA signs MoU with Competition Authority

**Non-Bank Financial Institutions Regulatory Authority (NBFIRA) and Competition Authority (CA) signed a Memorandum of Understanding on the 11th of September 2013 in Gaborone. Both Authorities expressed a convergence of will, indicating an intended common line of action when entering into a cooperation and information sharing agreement in specific areas of investigation of anti-competitive practices.**



The MoU is premised on the need for NBFIRA to confer and cooperate with the Competition Authority thereby ensuring fairness and transparency of the Non-Bank Financial Institutions (NBFI) sector. The Memorandum of Understanding highlights investigation of anti-competitive practices of any sector in the market economy as an arduous task that cannot be undertaken by either of the parties alone without the cooperation and collaboration with the relevant sector regulators.

NBFIRA Chief Executive Officer Mr. Oaitse Ramasedi expressed pleasure in sharing the monumental event with the Competition Authority. He said the day marked the establishment of formal supervisory relations between Competition Authority and the Non-Bank financial Institutions Regulatory Authority. He further sighted that NBFIRA and Competition Authority began the process of establishing formal cooperation early this year and the signing of the MoU was a culmination of the process.

“The MoU will help define and guide our working relationships in addition to enabling the smooth exchange of supervisory information between us and that such coordination and communication is the basis for promoting robust risk management practices and developing sound supervisory standards,” said Ramasedi. He said that the global financial crisis has reinforced the importance of effective dialogue and collaboration between regulators and supervisory authorities. Mr. Ramasedi further said that the crisis has also provided an abundance of examples highlighting the importance of risk based supervision and cooperation between regulatory authorities.

For his part, the Competition Authority Chief Executive Officer Mr. Thula Kaira said, MoUs create a healthy culture of sharing information for the greater public interest and enable a platform of serving Batswana in a much more informed, efficient and purposeful manner by preventing duplication of efforts. “Our concerns in the non-banking financial sector will likely be in connection

with suspected cartels, abuse of dominance and anti-competitive mergers. We may also at some point carry out a competition study to understand the competition dynamics and their effect on growth of a particular relevant market falling within the non-bank financial sector” said Mr. Kaira.

The NBFIRA Deputy Chief Executive Officer, Mr. Michael Tlhwane alluded that the two Regulatory Authorities have similar views on the issue of “Fairness” which is captured in the Competition Authority vision- “**Fair Competition for Prosperity**” and as outlined in Section 8 of the NBFIRA Act which is to foster fairness, efficiency and orderliness of the nonbank financial sector.

In closing, Mr. Tlhwane expressed confidence that through efforts and commitment, the Authorities will be able to achieve more and the MoU will lift the partnership to a higher level and will lead to increased benefit of citizens and regulated entities.



# Introduction to Pension and Provident Funds

The Pension Funds Industry is regulated in terms of the NBFIRA Act (No. 2 of 2006) and the Pension and Provident Funds Act and Regulations (Cap 27:03). In terms of the above Acts, all Pension and Provident Funds must be licensed by NBFIRA and must comply with the provisions of these Acts.

## MARKET COMPOSITION

As at 31st March 2013 there were ninety-five (95) active standalone pension funds licensed compared to previous year's figure of ninety-seven (97) following the transfer of two (2) to the Umbrella Funds in accordance to Section 71 of the Non-Bank Financial Institution Regulatory Authority Act (see Appendix C). The ninety-five (95) active stand alone funds include the five (5) Umbrella Funds which have (205) subfunds.

The umbrella funds consist of several small sized funds which are pooled for administrative purposes. The total membership of all pension funds was 166,500 compared to 153,766 in 2011. The current membership of 166,500 was made up of 152,348 active members, 11,897 deferred members and 2,255 pensioners. The largest fund is the Botswana Public Officers Pension Fund with a membership of 111,542. The total members' fund for the year was P38.9 billion.

## FREQUENTLY ASKED QUESTIONS

1

### What is an Umbrella Fund?

Umbrella funds are used by small employers as an important vehicle towards pension provision. Umbrella funds are usually set up by Pension Fund administrators to cater for employers who have a small number of employees. The contributions from each employer are pooled together and an investment manager appointed to invest the pooled funds. The umbrella fund thus facilitates cost savings and avails the services of independent professional trustees to these small sized funds.

2

### What is a Defined Benefit Pension Fund?

Under a Defined Benefit Fund, the benefit at retirement is based on member's salary and years of service. What other benefits can members claim from a Pension or Provident Fund? Individual members or dependants can claim certain kinds of benefits like disability, retrenchment, death and maintenance benefits.

3

### What is a Pension or Provident Fund?

A pension or provident fund is a fund that provides an income for a member on retirement or an income to dependants if the member dies.

4

### What is a Defined Contribution Fund?

Under a Defined Contribution Fund, the contributions by the member and employer are defined in the rules of the fund and the benefit at retirement is based on the accumulated contributions and the investment earnings.

5

### Do government employees have their own fund?

Yes. The Botswana Public Officers Pension Fund (BPOPF) was set up to provide pension benefits for Government employees. The fund is administered by the Alexander Forbes Financial Services (AFFS).

6

### What is the main difference between a Pension and Provident Fund?

Under a Pension Fund, the member is entitled to receive a up to a third of the benefit as a lump sum at retirement and the remaining balance is paid out as a monthly pension over the members' lifetime. A Provident Fund pays out the benefit as a lump sum at retirement.

7

### Who is a dependant?

Dependants are usually spouses or children of the member. However, if one can prove that they were financially dependent on the deceased for everyday necessities, they may qualify as dependants.

8

### Who contributes to a Pension or Provident fund?

Both the employer and employees may contribute to a fund. Usually, the employee and employer both contribute a percentage of the employees' salary.

## Deputy Chief Executive Officer meets different industries



NBFIRA organised an interactive meeting with the Asset managers, IFSC certified companies, Stockbrokers and Exchanges, Insurance Companies, and Pension Funds in August 16th, 2013. The purpose of the meeting was to introduce the newly appointed Deputy Chief Executive Officer-Regulatory Dr Sadhak to the industry and to get feedback from the industry on any expectations they have on NBFIRA.



Dr Sadhak emphasised upon the need for regular interaction as both NBFIRA and the Industry harbour similar objective to enhance value of the investors, healthy growth of competitive capital market, and maximum protection of investor's interest since orderly growth of the financial market is essential for economic growth.

The meeting was interactive and industry members made comments on activities and operations of the Authority.

In his briefing note Dr. Sadhak pointed out the importance of regulation and that NBFIRA's doors are always open if the industry wants clarification on any issues.

During the meeting participants raised many questions and provided some suggestions including proper research before introduction of any regulation, proper consultation with industry, close cooperation and interaction between BSE and NBFIRA, regulating unhealthy growth of Ponzi Schemes etc.

Dr Sadhak welcomed the suggestions and assured them that NBFIRA will look into them and advised them to always provide their suggestions as regulatory process is dynamic and that the views of market participants and service providers are useful to the industry. He also emphasised upon the need for regular meetings to strengthen communication channels and suggested that NBFIRA would organise such meetings every quarter as suggested by the industry representatives.

# know more about Micro Lending



## LENDING ACTIVITIES

The directorate of lending activities at NBFIRA is charged with the implementation of provisions of the Regulations 2012 and the NBFIRA Act 2006 defined as Financial Services Law under NBFIRA.

Functions include, licensing, off site monitoring, on-site inspections, enforcements, and complaints handling. Micro Lending can be described as an agreement between a borrower and the lending company, (lender/Cash loan). "A micro lender" means a person who advances loans to persons, where the loans do not exceed the prescribed amount, but does not include a person licensed in terms of the Banking Act or the Building Societies Act;

Be advised:

In a cash loan transaction, the borrower has the right to information pertaining to their loan(s) ie. the capital amount borrowed, interest payable, number and amount of installments, any additional charges such as penalty charges, credit life insurance, date of first installment and date of last payment.

It is the right of the borrower to ask for an explanation of information/terms/documents or anything they do not understand regarding the loan. Do not sign unless you understand the terms and conditions of the agreement.

A loan is not a source of income, but a debt. Do not rely on cash loans/pawn shops for a living or as a way of supplementing your income. Avoid borrowing money to pay other debts and buy food and/or other necessities.

Make informed decisions by shopping around and compare the interest rates as well as the terms and conditions provided by Micro Lenders.

Signing of any financial contract is legally binding. If you cannot read, seek assistance. Ignorance is no excuse. NBFIRA advises that customers abide by existing contracts that are financial.

In accordance with section 14(1) of NBFIRA Micro Lending Regulations, 2012, It is a violation for any Micro Lender to:

- (a) require disclosure of the borrowers personal identification number (PIN) used for a bank card: and or
- (b) take possession of a borrower's bankcard, national identity card (Omang) or any other official document.

NBFIRA hereby gives formal notice that all micro lenders immediately cease and desist from this practice and return any such above mentioned cards and documents they may be holding to their owners.

**\*Any continued retention of these documents or contravention of this section of the regulations shall attract civil penalties as prescribed in the NBFIRA Act.**

## LICENSED ENTITIES

The unit has currently recorded 185 entities as indicated by the micro lenders data base being registered for licensing and out of these, only 12 entities have been fully issued with micro lending licenses across the country.

## PAWNSHOPS

The draft Pawnshop Regulations are currently under review internally and these are intended to ensure the existence of different legislative frameworks for both Pawnshops operations and micro lenders. It was discovered that some micro lenders were applying for licenses as Pawnshop operators to take advantage

of the current exemption status accorded to pawnshop operators due to lack of the required regulatory framework. As at 31st March 2013 eleven (11) exemptions were issued to Pawnshop operators pending the promulgation of the Pawnshop Regulations.

## REGULATION

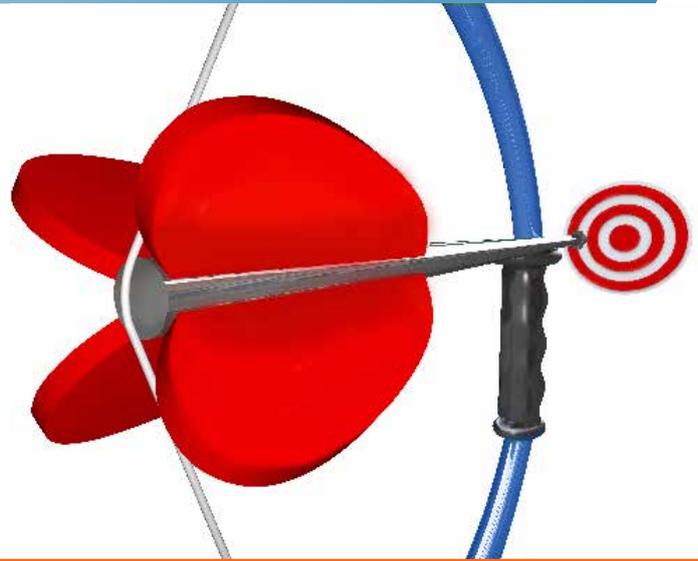
### Complaints

One of the procedures used to monitor and supervise the micro lenders is through complaints monitoring. The unit continues to receive complaints against micro lenders and pawnshops from the general public. These complaints are varied and they include the following; interest calculations, penalty interest, copies of contracts not given to the borrower, unexplainable repayment amounts amongst others. Most of the complaints against pawnshops are with regards to the pawned items being sold without the owners' consent. A total of 35 complaints were received during the year. NBFIRA endeavors to resolve every complaint in a fair manner and in the shortest time possible. In terms of Regulation 21 of the Micro Lending Regulations 2012, the micro lender must endeavor to resolve the complaint before its submission to NBFIRA. Where a complaint is not satisfactorily resolved, the complainant confirms this in writing, and shall notify the Authority within 30 days of the unresolved complaint.

**The complainant must give the following information when lodging a complaint:**

Full name, Surname and ID number  
Contact Details, Description of complaint and supporting evidence if there is any.

# Ponzi Scheme warning signs you should look for



**No one who invests money expects to be caught in a Ponzi scheme. After all, Ponzi schemes are illegal! Still, many investors are now finding themselves at a loss because they were duped by investments that appeared to be legitimate.**

Here are some basic tips and warning signs, so you won't be taken advantage of or caught up in a Ponzi scheme

## What are Ponzi Schemes?

Ponzi schemes are named after Charles Ponzi who was one of the most famous con men in American History. He invented the scam that pays initial investors with proceeds from new investors under the guise that they are making an actual business investment, when in fact the underlying business is nonexistent or unsuccessful. Eventually, there are not enough newcomers to pay the existing investors, and the scheme falls apart.

Ponzi was also one of the first people to sell Florida swampland as real estate.

The U.S. Securities and Exchange Commission describes a Ponzi scheme as a business model that "works on the 'Rob-Peter-to-pay-Paul' principle, as money from new investors is used to pay off earlier investors until the whole scheme collapses."

Pyramid schemes also fall under this kind of model as "participants attempt to make money solely by recruiting new participants into the program. The hallmark of these schemes is the promise of sky-high returns in a short period of time for doing nothing other than handing over your money and getting others to do the same." Ponzi schemes don't only come in the form of multi-million dollar deals and losses. It is much more likely that small investors will lose anywhere from a few.

## Warning signs of a Ponzi Scheme

In a tough economy, more and more people fall prey to these schemes in hopes of making easy money. Most do not understand that the "easy money" they are going after is indeed a faulty scheme and they are the innocent victim.

They fail to see the warning signs of a Ponzi scheme:

- Unclear business model with a lot of smoke and mirrors where the business withholds information on profits and how the business is run.
- Aggressive sales techniques that use testimonies of others who got incredible returns on their money with no other substance.
- Investment opportunities that asks you to spread the word and bring in more investors.

- If it sounds too good to be true... it is. You can't generate double digit returns year after year regardless of the how the market is doing.
- If you are promised guaranteed returns.

There is a risk with any investment and that should be made clear:

- If you feel pressured when you ask too many questions.
- Stalling when you ask to withdraw returns. Many of Ponzi schemes are successful because they give you the impression "if you don't understand it, then you are unintelligent." For this reason, people are reluctant to ask too many questions.

You should never be afraid of looking less knowledgeable when you are investing your money. If the business does not make sense, you should be able to take the information to a financial advisor or lawyer who can make sense of it before you invest. If there is secrecy involved, or if it is too confusing to understand, you should walk away.

The phrase "Ponzi scheme" originated in the early 1920s, when the notorious Charles Ponzi defrauded investors of millions of dollars under the guise of a postal arbitrage system. The underlying premise utilized by Charles Ponzi is still very prevalent in the investment fraud cases of today.

### What is a Ponzi scheme?

A Ponzi scheme is a type of investment fraud that involves payment of false "returns" from monies contributed by other investors or new investors.

### Six Signs of Ponzi Schemes

Ponzi schemes occur under many different labels and guises, but there are a few common characteristics they may share. Investors should be cautious if they observe any of the following signs:

1

#### "Guaranteed" High Returns:

All investments carry risk. This is particularly the case with high return investments (the golden adage is risk = reward). Any investment with very high rates of return that are represented as "guaranteed" should be treated with suspicion.

2

#### Obfuscated Information:

Always read an investment's prospectus or disclosure statement carefully before you invest. Excuses about missing paperwork, account errors, or complex, secretive strategies are red flags.

3

#### Consistent High Returns (In Contrast to Market):

Investments with high returns tend to carry more "risk," and thus are more volatile. Be extremely cautious of any investment generating consistent high returns that seems unaffected by economic factors.

4

#### Unregistered Investments:

Most cases of investment fraud involve investments that have not been registered with the SEC or regulators.

5

#### Unlicensed Sellers:

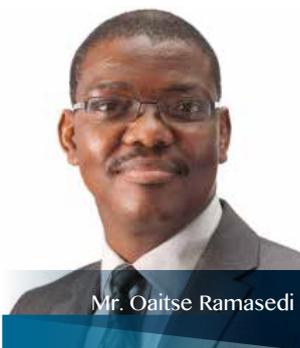
The law requires that investment professionals and their firms be licensed and registered. Many Ponzi schemes involve unregistered firms and/or unlicensed individuals.

6

#### Pressure to Reinvest:

Ponzi schemes collapse without regular income or when too many investors cash out. Propagators often will try to dissuade investors from cashing out, offering even higher returns as an incentive.

# NBFIRA EXECUTIVE MANAGEMENT TEAM



Mr. Oaitse Ramasedi

*Chief Executive Officer:*



Mr Michael M. Tlhagwane

*Deputy Chief Executive Officer:  
(Corporate Services)*



Mr. Melville Brown

*Advisor in the CEO's office*



Dr Hira Sadhak

*Deputy Chief Executive Officer:  
(Regulatory)*



Mrs. K. Kowa Mophuting

*Deputy Director: Capital Markets*



Mrs. M. Raphaka

*Deputy Director: Insurance*



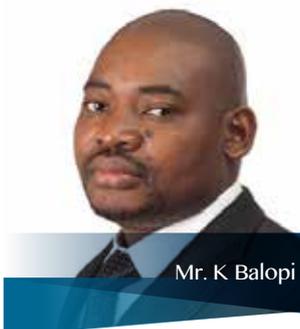
Mrs Hilda  
Mocuminyane-Rabashwa

*Deputy Director: Compliance*



Mr. M. P Rampha

*Head of IT*



Mr. K Balopi

*Head of Finance*



Mr. M Kebalefetse

*Acting Deputy Director:  
Lending Activities*



Mr. T Kwapa

*Manager Communications  
and Public Affairs*



Ms. M Sebonape

*Manager Compliance*

# NBFIRA takes part in the 2013 Botswana Consumer Fair

NBFIRA exhibited at the Botswana Consumer Fair and scooped First position in the financial services category.



NBFIRA displayed their role in contributing towards financial stability. The main objective of NBFIRA is to regulate and supervise the non-bank financial institutions so as to foster;

- safety and soundness of non-bank financial institutions;
- highest standard of business conduct by non-bank financial institutions;
- stability of the financial system;
- and reduction and deterrence of financial crime.

Non-Bank Financial Institutions Regulatory Authority (NBFIRA) is an independent regulatory agency for the non-bank financial institutions. Its mission is to regulate and supervise non-bank financial institutions for the purpose of contributing towards financial stability.

In an interview with the NBFIRA representative Ms. Tshepiso Letsholo, she confirmed that participating in the trade fair is leverage in promoting public awareness of NBFIRA's existence, mandate and their various channels available to reach the Regulatory Authority.

The theme for the Botswana Consumer Fair was Shop. Discover. Explore, and NBFIRA found it fitting to participate and welcome the public in discovering and exploring its mandate. Ms. Letsholo confirms they received positive feedback from public, who displayed appreciation and confidence in the NBFIRA mandate.



# NBFIRA engages in social responsibility at SOS Village in Tlokweng

The Authority visited the Tlokweng SOS as a way of showing support, love and care. NBFIRA staff donated clothes and food hampers to the SOS home. The staff also took time to revive and plant more vegetables on the vegetable gardens. Prayer and celebrations ended the blissful day.

## **2 Corinthians 9:7**

*Each man should give what he has decided in his heart to give, not reluctantly or under compulsion, for God loves a cheerful giver.*





# NBFIRA Wellness Day

The theme for Wellness day program was “Fitness is Fun” which aimed at promoting individual health, unity among employees and providing opportunity to re-engage in activities that bring meaning and value to daily living.

Becoming aware of employees’ health risks can lead to specific goals and planning that will reduce risks of certain diseases and sicknesses, enhance good health, improve the productivity of the organization, increase job satisfaction, and reduce absenteeism.

The staff was privileged to have Ministry of Health officials assist coordinate the process, where employees were provided with health information, medical tests, guidance & counseling and assistance on various health topics.

The day aimed at;

- Promoting individual wellness
- Offering a continuing lifeline of health support
- Focusing on promoting good quality of life by attending to the physical, emotional, social and spiritual needs of each individual
- Providing social interaction in a changed environment i.e. playing games.
- Achieving healthy mind and body to all individuals



## LOGGING OF A COMPLAINT WITH NBFIRA

A person wishing to lodge a complaint with NBFIRA should follow the procedure outlined below:

STEP	PROCEDURE
1.	The person must lodge a complaint with the regulated &/licensed entity stating the exact nature of the problem and request for resolution of the complaint.
2.	If Step 1 fails, the complainant should request an appointment with the Principal Officer of the regulated /licensed entity to escalate the complaint for his/her attention and request for a resolution.
3.	If the complainant receives unsatisfactory response or the complaint is not attended to at all by the regulated / licensed entity (in Step 2), the complainant must lodge a written complaint with the Principal Officer of the regulated/licensed entity and request for a written response within 5 working days. The complainant should request for written acknowledgement of receipt of the complaint within 5 working days and in the advent of promulgation of the Micro Lending Regulations of the March 9, 2012 Act recognized that where the dispute is not resolved, the Micro Lender shall ensure that the complainant confirms this in writing, the Micro Lender shall notify the Regulatory Authority within 30 calendar days of the unresolved complaint.  Please note that: NBFIRA will only attend to complaints after all the above attempts to settle complaints have failed and the complainant is not satisfied with the outcome.
4.	If the regulated/licensed entity through its Principal Officer fails to respond to the complainant in writing and within stipulated timeframe (as per Step 3) which shall not exceed 5 working days, or the complainant is still aggrieved by the written response given by the regulated/licensed entity, the complainant must lodge a complaint with NBFIRA providing a full written statement of events relating to the problem and enclosing a written response (in step 4) from the regulated/licensed entity.  The minimum turnaround time during which NBFIRA will correspond to the complainant on the complaint raised, as per step 4 will be within 14 working days.
5.	All correspondence must be addressed to:  <b>The Chief Executive Officer</b> Non-Bank Financial Institutions Regulatory Authority, P/Bag 00314, Gaborone Tel: (+267) 310 2595 / 368 6100 Fax: (+267) 310 2376 / 310 2353

### Guidelines to lodge a complaint

The complaint should be in relation to either of the following issues:

1. The regulate/licensed entity has made a decision outside its powers;
  2. The complainant has been prejudiced as a result of maladministration by the entity concerned;
  3. A dispute of fact or law has arisen in relation to an entity, between the entity or any person and the complainant; or
  4. The management or board of the entity has not fulfilled its duties in terms of rules or agreements.
5. Complaints lodged with NBFIRA must at least contain the following minimum information:
    - a. Full personal details, including name, postal address, identification number, phone and fax numbers and e-mail addresses;
    - b. The history of membership with the fund, or insurer, or entity concerned, commencement date of membership or effective date of contract;
    - c. Full contact details of the entity concerned and the person complainant dealt with in particular;
    - d. Full particulars of the complaint with particular reference to the definition of a complaint as set out in point 6 above;
    - e. Full particulars of the relief the complainant wants NBFIRA to order;
    - f. Proof that the complaint has been submitted to the entity concerned; and
    - g. A copy of the complaint sent to the entity concerned, together with a copy of any reply received from them, should also be sent to the NBFIRA.
  6. Please note that NBFIRA has no legal power to adjudicate a contractual agreement between the licensed entity and the complainant. Contracts can only be adjudicated in a court of law. In this instance, NBFIRA can only attempt to mediate the process to reach an amicable solution, but will not be able to rule on the matter.



## NBFIRA office relocation

The public is informed that the Non-Bank Financial Institutions Regulatory Authority has relocated from the MVA Building in Fairgrounds to the Exponential Building in the New CBD.

Our new Physical address is as follows:  
3rd Floor, Exponential Building, Off PG Matante Road, Plot 54351, New CBD, Gaborone

Our telephone / fax numbers, website address and Website addresses will stay unchanged.

**Please contact our Communications department on 3102595 / 3686100 for any further clarifications.**





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