



Date: 25 April 2022
Attention: News Editors

FOR IMMEDIATE RELEASE

Media Release

Multiple Cession of Life Insurance Covers

Multiple cessions can now be accommodated by banks and insurers on a single life insurance policy. This means that when an insurance policy is sufficient to guarantee multiple credit facilities obtained by the policyholder, it is no longer necessary to transfer the entire value of the policy to a single credit provider.

The policyholder may choose to assign only a portion of the policy cover necessary to obtain the credit facility. The remainder of the policy can be transferred to other credit providers or left as is. This measure can also be applied to existing policies.

We are confident that this will benefit the individual and save money on acquiring separate life insurance policies to serve as collateral for various credit facilities offered by credit lenders.

As a result, banks and other lenders no longer require the physical original policy document to be handed over to the financial institution for the duration of the loan. The measure goes into effect immediately.

The Bank of Namibia and NAMFISA would like to express their appreciation for the willingness and commitment of Namibian banking institutions and registered insurers to implement multiple cessions of a single life insurance policy.

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