

GOVERNMENT NOTICE NO. 45

FINANCIAL SERVICES ACT

(CAP. 44:05)

FINANCIAL SERVICES (FAIR TREATMENT OF CONSUMERS) DIRECTIVE,
2024

IN EXERCISE of the powers conferred by section 34(2) of the Financial Services Act, I, DR WILSON TONINGA BANDA, Registrar of Financial Institutions, issue the following Directive—

1. This Directive may be cited as the Financial Services (Fair Treatment of Consumers) Directive, 2024. Citation
2. This Directive shall apply to all financial institutions. Application
3. In this Directive, unless the context otherwise requires— Interpretation
 - “board” means the board of directors of a financial institution;
 - “consumer” means a customer of a financial institution, and includes a—
 - (a) natural and legal person;
 - (b) partnership, trust and association;
 - (c) person to whom a financial institution has offered to provide a financial product or service;
 - (d) person who has sought the provision of a financial product or service from a financial institution;
 - (e) person who is a beneficiary or potential beneficiary of a financial product or service offered by a financial institution; and
 - (f) successor in title of a person mentioned in clause (a), (b), (c), (d) or (e).
 - “enforcement proceeding” means any step, resolution or demand taken by a financial institution, in the event of default by a consumer, to recover a sum of money due under a credit facility extended to the consumer;
 - “intermediary” means a person acting on behalf of a financial institution;
 - “key facts statement” means a disclosure document prepared by a financial institution in relation to a financial product or service which—
 - (a) summarizes the key terms and conditions of the financial product or service;
 - (b) can be used to compare the terms and conditions of a financial product or service offered by different financial institutions; and

(c) is in a format and contains the information prescribed in the appropriate directive of the Registrar specifying disclosure requirements for the financial product or service; and

“security provider” means a person who provides or proposes to provide a collateral, guarantee or other form of security, on behalf of a consumer who has or intends to access a financial product or service requiring collateral, guarantee or other form of security.

Objectives

4. The objectives of this Directive are to—

(a) prescribe minimum standards for treatment of consumers and their personal data with a view to promoting fair treatment of the consumers and protecting them from exploitation;

(b) promote implementation of financial consumer protection principles;

(c) promote consumer trust and confidence in financial institutions and financial products and services; and

(d) enhance discipline and accountability in the financial sector by ensuring fair, transparent and objective pricing of financial products and services.

5.—(1) A board shall adopt policies on—

(a) fair treatment of consumers to promote fair treatment of consumers in the provision of financial products and services;

(b) data protection governing the collection, use, sharing and storage of personal data of consumers and security providers; and

(c) collateral qualification, charging, discharging and the methodology for disposing seized collateral.

(2) The board shall—

(a) provide sufficient resources for implementation of the policies prescribed under subparagraph (1);

(b) review the policies regularly to ensure that the policies remain relevant and, where necessary, adapt them to emerging issues; and

(c) monitor implementation of the policies.

Management to implement policies

6. Management of a financial institution shall implement the policies prescribed under paragraph 5(1) by promoting a sound corporate culture which reinforces ethical, prudent and professional conduct and behavior within the financial institution.

Consumer and security provider protection principles

7. A financial institution or its intermediary shall, in the provision of a financial product or service—

(a) treat a consumer and a security provider fairly and respectfully;

(b) not engage in misleading, deceptive, discriminatory, abusive or aggressive treatment;

(c) provide the consumer and security provider with information on the features, risks, terms and cost of the financial product or service in a language and format which the consumer and security provider will understand;

(d) design and market the financial product or service in a manner that meets the financial objective, need, capacity and behavior of the consumer in the target market with a view to minimize the risk of harm to the consumer;

(e) identify and control relevant risks including those relating to product features, marketing, distribution, security, usage and account maintenance;

(f) define the target market for each new financial product or service based on the financial need, preference, capability, and behavioral insight of the consumer;

(g) ensure that the financial objective, need and capacity of the consumer are considered before providing the consumer with a suitable financial product or service option;

(h) not bind a consumer or security provider to a financial product or service beyond the term of the product or service, unless otherwise mutually agreed with the consumer or security provider;

(i) maintain confidentiality of the personal information of the consumer and security provider;

(j) in the case of a credit—

(i) assess the ability of the consumer to repay the credit without hardship; and

(ii) take reasonable steps to verify the information relied on in assessing the creditworthiness of the consumer; and

(k) provide the consumer and security provider with information on the complaints handling scheme of the financial institution and any other dispute resolution scheme, in accordance with the Financial Services (Complaints Handling) Directive, 2024.

GN. 46/2024

8.—(1) A financial institution shall not discriminate against a consumer or a security provider, on the basis of the personal attributes of the consumer, security provider or a person associated with the consumer or security provider.

Discrimination of consumer or security provider prohibited

(2) A financial institution shall put in place appropriate infrastructure and give special treatment to a consumer with a disability, a vulnerability or special need.

(3) For the purposes of this paragraph, discrimination occurs where the financial institution imposes, or proposes to impose, a requirement, condition, practice or policy that has, or is likely to have, the effect of disadvantaging the consumer or security provider on the basis of the personal attributes of the consumer, security provider or person associated with the consumer or security provider.

Protection of personal data and records

9.—(1) A financial institution shall put in place measures to protect the confidentiality and security of personal data and records of a consumer and security provider.

(2) A financial institution shall only use or disclose the personal data of a consumer or security provider—

(a) in accordance with the original purpose for which the data was collected;

(b) with the explicit and informed consent of the consumer or security provider;

(c) as required by a written law; or

(d) pursuant to a court order.

Advertising of financial products and services

10. A financial institution shall not issue an advertisement or any other promotional material concerning a product, service or provision of security which—

(a) is not accurate;

(b) is complicated or cannot be easily understood by a consumer or security provider in the target market;

(c) is misleading or deceptive; or

(d) does not include details of where the consumer or security provider may obtain information on fees and charges payable for the product or service.

Prohibition of harassment

11.—(1) A financial institution shall not harass a—

(a) consumer to apply for, acquire or maintain a financial product or service; or

(b) security provider to provide security.

(2) For purposes of this paragraph “harassment” occurs where the financial institution or its intermediary, without consent of the consumer or security provider—

(a) visits the consumer or security provider at home or place of employment to encourage the consumer or security provider to apply for, acquire or maintain a financial product or service; or

(b) initiates any other action, for marketing purposes, which involves direct contact with the consumer or security provider, without the consent of the consumer or security provider.

Communication of outcome of application for financial product or service

12.—(1) A financial institution shall communicate its decision on an application for a financial product or service within five working days from the date the decision is taken.

(2) Where the financial institution rejects the application, the financial institution shall give reasons for its decision.

(3) The financial institution shall, at the time of communicating the decision under subparagraph (2), return to the consumer supporting documents submitted in support of the application, unless the consumer consents that the financial institution should retain the documents.

13.—(1) A financial institution shall put in place measures to ensure that terms of a standard form contract signed with a consumer or security provider are negotiated and are fair.

Terms of a
standard form
contract

(2) The financial institution shall put in place measures to ensure that there is consistency between the terms and conditions of a financial product or service provided to the consumer in a key fact statement and the actual terms and conditions contained in the standard form contract.

(3) Any term or condition of a standard form contract which is unfair shall be void.

(4) For purposes of this paragraph, a term or condition of a standard form contract is unfair if it—

(a) is unconscionable;

(b) causes a significant imbalance in the rights and obligations of the parties to the detriment of the consumer or security provider;

(c) allows the financial institution to unilaterally change a term or condition of the contract or security without expressly describing the circumstances in which that change may be made;

(d) waives any protection provided to a consumer or security provider under this Directive or any other financial services law;

(e) purports to avoid or modify any provision of this Directive; or

(f) limits the right of the consumer or security provider to lodge a complaint in accordance with the Financial Services (Complaints Handling) Directive, 2024 or take legal action against the financial institution.

GN. 46/2024

14.—(1) A financial institution shall explain important aspects of a financial product or service to a consumer and security provider, including the associated transaction cost, possible gain, exclusion and risk, before a standard form contract is signed.

Provision of
relevant
information
to a consumer
or security
provider

(2) The explanation under subparagraph (1) shall be in a format and language which the consumer and security provider understand.

(3) The financial institution shall provide the information required under subparagraph (1) in a key fact statement which shall be—

(a) issued to the consumer and security provider before and during the contract; and

(b) published on the website of the financial institution.

(4) The financial institution shall recruit and deploy suitably qualified employees and intermediaries to advise and provide information to consumers and security providers.

(5) The consumer shall have the right to obtain information, data and instructions relating to a standard form contract signed with the financial institution in any format or medium, free of charge, and in a manner and on such terms as are specified in the contract.

(6) A financial institution shall ensure that information, contract and notice provided to the consumer and security provider are—

(a) in a legible font size of not less than twelve points;

(b) simple, clear and easy to understand, with minimal use of technical language;

(c) written in the English or Chichewa language; and

(d) compliant with requirements specified in this Directive.

15.—(1) Where a credit facility sought by a consumer requires credit insurance as a condition for grant of the facility, the consumer shall choose his preferred insurer to cover the facility from the list of approved insurers of the financial institution.

(2) The financial institution shall—

(a) treat credit insurance separately from the principal debt; and

(b) disclose the terms and conditions of the credit insurance to the consumer before granting the credit facility.

(3) The disclosure made under subparagraph (2)(b) shall be in the form of a key fact statement.

16.—(1) A consumer or security provider may, within ten working days of signing a standard form contract, terminate the contract by written notice delivered to the financial institution.

(2) Subparagraph (1) shall apply if the consumer has not accessed the financial product or service during the prescribed period.

(3) The financial institution may give the consumer or security provider a longer period within which the consumer or security provider may terminate the contract.

(4) Where prior to the termination of the contract under subparagraph (1) the financial institution has—

(a) credited the account of the consumer, the account may accrue interest but the financial institution shall not impose a penalty on the consumer or security provider; or

(b) incurred third party fees with respect to the financial product or service, the fees shall be borne by the consumer.

17.—(1) A financial institution shall not levy a fee or a charge to a consumer or security provider—

(a) unless the fee or charge has previously been disclosed to the consumer or security provider in accordance with this Directive or any other financial services law;

Credit
insurance

Cooling-off
period

Prohibited
fees and
charges

(b) for application for a financial product or service or the establishment of a contract;

(c) which is greater than the fee or charge payable by the financial institution to a third party in relation to the financial product or service;

(d) for a partial or full early payment under a credit contract;

(e) for loan recovery or other enforcement expenses beyond those reasonably incurred by the financial institution; or

(f) to the extent that the amount or type of the fee or charge is prohibited under this Directive or any other written law.

(2) The financial institution shall not levy a consumer fee, commission or charge for—

(a) operating an ordinary savings or current account;

(b) opening any type of account;

(c) over the counter cash deposit;

(d) over the counter balance enquiry;

(e) over the counter cash withdrawal;

(f) closing an account;

(g) loan clearance letter or certificate after full repayment of credit;

(h) amendment or cancellation of a standing order;

(i) use of own Auto Teller Machine;

(j) transfer of funds between accounts domiciled in the same financial institution;

(k) transfer of an account domiciled in one branch to another branch of the same financial institution;

(l) transfer of pension benefits upon retirement from a pension services company to an annuity provider, except bank transfer charges;

(m) use of a Point-of-Sale device, whether the device is directly managed by the financial institution or under contract with a merchant, retailer or any other entity engaged by the financial institution;

(n) processing exchange control forms that may or may not require approval of the Government or the Reserve Bank of Malawi; and

(o) any communication from the financial institution to the consumer or security provider.

(3) A financial institution shall refund with interest, at the ruling Reserve Bank of Malawi policy rate plus ten percent, any amount paid by a consumer or security provider in respect of a fee or charge which is prohibited under this Directive or any other financial services law.

18.—(1) A financial institution shall not, unless with the prior written approval of the Registrar—

(a) introduce a fee or charge on a financial product or service; or

(b) increase the fee or charge on any financial product or service.

Fees and charges requiring prior approval of the Registrar

(2) The Registrar shall grant approval for an application for introduction or increase of a fee or charge within sixty working days from the date of receipt of a complete application.

(3) Where a financial institution intends to implement an annual adjustment of a fee or charge, the institution shall submit an application for the adjustment by 30th September of the year preceding the intended implementation of the adjustment.

(4) The Registrar shall grant approval for the application under subparagraph (3) within sixty days from the date of receipt of the application.

19. A financial institution shall notify a consumer in writing of a change in—

(a) interest rate immediately after implementation of the adjustment; and

(b) a fee, charge or other key term or condition of a financial product or service, before implementation of the change.

20.—(1) A bank and a deposit taking microfinance institution shall publish the following information in relation to its financial products and services—

(a) fees and charges on financial products and services;

(b) annual interest rates; and

(c) standard terms and conditions.

(2) The information referred to in subparagraph (1) shall be—

(a) published in at least two newspapers of wide circulation in Malawi twice a year, by 30th June and 31st December;

(b) published on the website of the institution; and

(c) displayed at a conspicuous place at the business premises of the institution.

(3) A financial institution other than a bank or a deposit taking microfinance institution shall display the information prescribed in subparagraph (1) at a conspicuous place at the business premises of the institution.

(4) The Registrar may publish the information specified in subparagraph (1), in any manner designed to facilitate the ability of a consumer to understand the information and compare the fees, charges, annual interest rates and other terms and conditions between financial institutions.

21. The total amount of interest, service fee, penalty charge, administration fee, and credit insurance cost that accrue from the date of expiry or termination of a credit contract, shall not exceed the outstanding account balance on the date of the expiry or termination of the credit contract.

Notification of change in interest rates, fees and charges

Publication of fees, charges and rates

Limit on interest on non-performing credit facility

22.—(1) A financial institution shall process a request to close an account or terminate a standard form contract by a consumer or security provider within five working days from the date of receipt of the request, unless provided otherwise in the contract.

Account closure and termination of contract

(2) Where the financial institution intends to terminate a standard form contract, the financial institution shall give the consumer at least five working days prior notice of the termination, unless provided otherwise in the contract.

(3) Where a standard form contract is terminated or an account is closed, the financial institution shall, within five working days of the termination or closure—

- (a) pay to the consumer any money due to him; and
- (b) cancel any direct debit instruction covering repayments.

(4) The financial institution shall not debit the account of a consumer with any interest charge, fee or charge which relates to an event or period which occurs after closure of the account.

23. A financial institution shall, within five working days of receiving instructions from a consumer to cancel a direct instruction related to an account held by the consumer, process cancellation of the instruction.

Cancellation of direct debits

24.—(1) A financial institution shall, upon request, provide to a consumer a statement of account for the following services—

Statement of account

- (a) deposit account;
- (b) credit account;
- (c) investment account;
- (d) life insurance account; and
- (e) any other financial product or service, where a periodic statement of account can be issued.

(2) The statement referred to in subparagraph (1) shall be provided, free of charge—

- (a) upon request, at least twice a year; and
- (b) in the case of a credit card, every thirty days.

(3) The financial institution may provide the statement referred to in subparagraphs (1) electronically or in printed format.

25 —(1) A financial institution shall, at the request of a consumer or security provider, provide a statement of—

Statement of amount owing and other matters

- (a) the current balance of the account of the consumer;
- (b) any amount overdue;
- (c) any amount debited or credited within a specified period;
- (d) the amount required to pay out any credit contract; and

(e) any other information the consumer or security provider may require.

(2) The financial institution shall provide the statement under subparagraph (1) within five working days from the date of the request.

Collateral
charging and
discharging

26.—(1) Where a credit facility sought by a consumer requires collateral to be valued prior to creating a charge, the consumer shall have a right to choose a valuer to value the collateral, from a list of valuers pre-qualified by the financial institution.

(2) The financial institution shall—

(a) discharge an immovable collateral, where a charge was created on the collateral provided by the consumer or security provider, within ninety days from the date the credit facility is repaid in full, unless the consumer or security provider instructs the financial institution, in writing, not to discharge the collateral;

(b) discharge other types of collateral within ten working days from the date the credit facility is repaid in full; and

(c) meet the cost of the collateral discharge process.

(3) A financial institution shall return to the consumer a security document submitted by the consumer as collateral within five working days from the date the—

(a) credit facility is fully repaid; or

(b) collateral is discharged.

Loan
moratorium
and
restructuring

27.—(1) A consumer may, at any time, for any reasonable cause related to an economic difficulty arising from economical, legal, health or other reason, make a request in writing to a financial institution for—

(a) a loan moratorium or restructuring under a credit contract or security or a related contract; or

(b) a deferral of any enforcement proceeding.

(2) The financial institution shall respond to the request under subparagraph (1) within five working days of receipt of the request.

(3) Where the financial institution approves the request—

(a) the financial institution shall communicate the approval in writing;

(b) the financial institution shall disclose clearly, accurately and timely the key terms and conditions of the moratorium or restructuring granted; and

(c) the disclosure under clause (b) shall be made in a key fact statement format given to the consumer or security provider before the granting of the moratorium or restructuring.

(4) The financial institution shall, upon approving the moratorium or restructuring—

- (a) suspend any notice of default given prior to the approval; and
- (b) pend any current enforcement proceeding.

(5) Where a financial institution rejects the request under subparagraph (1), the financial institution shall notify the consumer and give reasons, in writing, for the rejection.

(6) The financial institution shall not commence, or continue, an enforcement proceeding against the consumer where the institution has not responded to a request under subparagraph (1).

(7) For purposes of this paragraph—

“loan moratorium” means a loan repayment holiday on interest or principal amount or both the interest and principal amount that may be granted to a consumer by a lending financial institution; and

“loan restructuring” means the modification of terms and conditions of a credit facility granted to a consumer by a lending financial institution.

28.—(1) A financial institution shall not use a debt collection practice that is not specified in the terms and conditions of the credit contract or that amounts to harassment. Debt collection procedure

(2) The financial institution shall not commence an enforcement proceeding against a consumer or security provider unless—

(a) the consumer is in default and, subject to the Registered Land Act, has been given a notice to remedy the default of at least thirty days for a facility with a tenure of six months and below, or ninety days for any other facility; and Cap. 58:01

(b) the consumer or security provider has failed to remedy the default within the period specified in the notice.

(3) A notice under subparagraph (2) shall—

(a) specify—

- (i) full details of the default;
- (ii) the amount in default; and
- (iii) the consequence of failure to remedy the default; and

(b) notify the consumer of the right to make an application under paragraph 27.

(4) A default shall not be treated as remedied where there is a subsequent default of the same kind within the relevant notice period.

(5) The financial institution shall take all reasonable steps to be transparent to the consumer and security provider in the process of foreclosing collateral.

(6) The financial institution shall be liable for the acts or omissions of its intermediary or an intermediary of a person to whom the institution has transferred the right of claim to the credit contract.

(7) The financial institution and its intermediary shall not disclose any information relating to the credit facility to a third party unless—

- (a) with consent of the consumer;
- (b) required by a written law; or
- (c) required by a court order.

(8) The provisions of this paragraph shall apply in addition to provisions of any other written law with respect to enforcement of security of real property or other form of collateral.

(9) For the purposes of this paragraph “harassment” includes—

- (a) making undue threats to seize, or seizing property, which is not collateral for the credit being enforced;
- (b) disclosing the existence of the debt to a third party unless the third party is authorised by law to collect such information;
- (c) demanding repayment of the credit from an employer of the consumer, where the employer is not a guarantor of the credit and has not made any undertaking on the repayment of the credit; and
- (d) public naming and shaming.

29.—(1) A financial institution shall cease charging interest on a credit facility upon foreclosure or commencement of foreclosure process or taking possession of the collateral, where the—

- (a) consumer or security provider has no access to, and usage of the collateral, or stops benefiting from the collateral; and
- (b) consumer or security provider does not obtain a court order stopping the financial institution from exercising its right of foreclosure of the collateral.

(2) A consumer or security provider shall be given at least five working days, from the day of the financial institution taking possession of the collateral, to select a valuation expert to value the collateral from the list of valuers pre-qualified by the institution.

(3) Where the consumer or security provider does not exercise the right provided in subparagraph (2) within the prescribed period, the financial institution may choose any valuer from the pre-qualified list to value the collateral.

(4) Unless otherwise provided under any other written law, the financial institution shall cause the collateral to be valued within fourteen working days from the date of taking possession of the collateral.

(5) The financial institution shall, upon receipt of the valuation report, notify the consumer in writing of the estimated market value of the collateral.

(6) Subject to this paragraph, the financial institution shall—

- (a) sell the collateral at the estimated market value or any greater value to any buyer nominated by the consumer within thirty days of the notice given under subparagraph (5); and

(b) where the buyer nominated under clause (a) does not exercise the right to purchase the collateral within the prescribed period, the financial institution shall sell the collateral as soon as reasonably practicable for the best price obtainable.

(7) Subject to subparagraph (6), a financial institution shall not dispose of collateral while there is a stay of enforcement proceeding in place.

(8) A financial institution shall return any re-possessed collateral if—

(a) the default is remedied within the thirty-day period referred to in subparagraph (6); and

(b) there has not been a subsequent default of the same kind.

(9) The financial institution shall, on the sale of collateral under this paragraph—

(a) within five working days notify the consumer of—

(i) the gross and net proceeds of sale;

(ii) the amount required to be paid under the credit contract or any guarantee; and

(iii) the balance to be paid to the consumer.

(b) pay to the consumer, within five working days of receipt of the proceeds of sale, the balance of the proceeds after deducting—

(i) reasonable expenses of the sale;

(ii) the outstanding amount secured by the collateral; and

(iii) any other claim on the collateral of which the financial institution has notice.

(10) Where the proceeds of sale of the collateral are less than the outstanding credit amount, the lending institution shall write off the balance.

30. No provision of this Directive shall exonerate a consumer or security provider from a responsibility placed on the consumer or security provider under any other written law, including the responsibility—

(a) to fulfil his obligations under a contract entered into with the financial institution;

(b) to fulfil his obligations under the security provided to the financial institution under the contract;

(c) to provide complete and truthful information to the financial institution; and

(d) not to act fraudulently.

31.—(1) A financial institution which operates an automated teller machine, electronic or internet banking service, a mobile money service or any other digital financial product or service, shall provide real time disclosure of—

(a) fees and charges for a transaction;

(b) in the case of digital credit, key terms and conditions of the credit; and

Consumer
and security
provider
responsibilities

Digital
financial
services

(c) contact details for lodging a complaint.

(2) The disclosure under subparagraph (1)(a) and (b) shall be provided to the consumer in a summarized format upon selection of the required transaction before proceeding to the next stage of the transaction.

(3) The disclosure shall, in addition to the requirement under subparagraph (2), be published in a downloadable format on the website of the financial institution and be available at the business premises of the financial institution in the form of a key fact statement.

Consumer
refunds

32.—(1) Where a consumer suffers a financial loss in respect of funds held in his account with a financial institution and the loss is not attributable to the fault of the consumer, the financial institution shall refund the lost money to the consumer.

(2) Where—

(a) a consumer lodges a claim for refund of lost funds and the financial institution acknowledges that the request is *bona fide*, the financial institution shall refund the lost money to the consumer within five working days from the date the claim is lodged; or

(b) the financial institution on its own volition realizes that a consumer has suffered a financial loss and the consumer has not lodged a claim for refund of the lost funds, the financial institution shall refund the lost money to the consumer within ten working days from the date of discovery of the loss.

(3) The financial institution shall refund the lost money to the consumer with interest at the ruling Reserve Bank of Malawi policy rate plus ten percent for each day that the refund remains unpaid after expiry of the period prescribed under subparagraph (2).

(4) Where the financial institution establishes that a claim for lost money lodged by a consumer is not *bona fide*, the financial institution shall notify the consumer of its finding within five working days from the date of receipt of the claim.

Service
disruption

33.—(1) A financial institution shall give to a consumer at least ten days prior notice of a—

(a) planned action that is likely to disrupt the provision of a financial product or service;

(b) proposed cessation of a financial product or service; and

(c) planned closure of a branch from which a financial product or service is provided.

(2) The financial institution shall notify a consumer of an unplanned disruption within twenty-four hours of the occurrence of the disruption.

(3) The notice under subparagraph (1) or (2) shall be given through any communication channel that is effective and convenient to the consumer.

(4) The financial institution shall notify a service disruption to the Registrar—

(a) in the case of a planned disruption, at least ten working days before the planned disruption; or

(b) in the case of an unplanned disruption, immediately the disruption occurs.

34. Where contravention of this Directive by a financial institution causes financial loss to a consumer, the financial institution shall be liable to compensate the consumer for the loss suffered. Liability for financial loss

35.—(1) Where a financial institution contravenes or fails to comply with a provision of this Directive, the institution and any member of the board of directors or management of the institution, shall be liable to a monetary penalty— Monetary and administrative penalties

(a) in the case of the financial institution, of up to K50,000,000; and

(b) in the case of a member of the board of directors or management, of up to K10,000,000.

(2) The offender shall pay the penalty imposed under subparagraph (1)—

(a) within five days from the date the notice of the penalty is received by the offender; and

(b) through an electronic bank transfer in favour of the Reserve Bank of Malawi.

(3) In addition to a monetary penalty imposed under subparagraph (1), the Registrar may issue any direction to, or impose on, the offender any administrative penalty prescribed under the Act.

36 The Financial Services (Fair Treatment of Financial Consumers by Financial Institutions) Directive, 2018 is hereby revoked. Revocation
GN. 46/2018

Issued this 12th day of July, 2024

(REF. NO. FIN/PFSPD/02/03)

DR. W. T. BANDA
Registrar of Financial Institutions

GOVERNMENT NOTICE NO. 46

FINANCIAL SERVICES ACT
(CAP. 44:05)

FINANCIAL SERVICES (COMPLAINTS HANDLING) DIRECTIVE, 2024

IN EXERCISE of the powers conferred by section 34(2) of the Financial Services Act, I,
DR WILSON TONINGA BANDA, Registrar of Financial Institutions, issue the following
Directive—

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|---|----------------|
| 1. This Directive may be cited as the Financial Services (Complaints Handling) Directive, 2024. | Citation |
| 2. This Directive shall apply to all financial institutions. | Application |
| 3. In this Directive, unless the context otherwise requires— | Interpretation |

“board” means the board of directors of a financial institution;

“complaint” means an expression of dissatisfaction with a financial product or service;

“complainant” means a consumer or security provider who lodges a complaint with a financial institution, and includes a person acting on behalf of the consumer or security provider;

“consumer” means a customer of a financial institution, and includes a—

(a) natural and legal person;

(b) partnership, trust and association;

(c) person to whom the financial institution has offered to provide a financial product or service;

(d) person who has sought the provision of a financial product or service from a financial institution;

(e) person who is a beneficiary or potential beneficiary of a financial product or service offered by a financial institution; and

(f) successor in title of the person mentioned in clause (a), (b), (c), (d) or (e);

“enforcement proceeding” means any step, resolution or demand taken by a financial institution to recover sums of money due under a credit facility extended to a consumer in the event of default by the consumer;

“intermediary” means a person acting on behalf of a financial institution;

“internal complaints handling scheme” means a mechanism put in place by a financial institution for attending to, and addressing, complaints lodged by consumers; and

“security provider” means a person who provides or proposes to provide a collateral, guarantee or other form of security, on behalf of a consumer who has or intends to access a financial product or service requiring collateral, guarantee or other form of security.

Objectives

4. The objective of this Directive is to provide for the establishment of timely, transparent, objective and effective complaints handling schemes by financial institutions and prescribe minimum requirements for the schemes.

Complaint handling policy

5.—(1) A board shall adopt a complaint handling policy to ensure that complaints lodged by consumers are received and resolved timely, appropriately and amicably.

(2) The board shall—

(a) ensure that management has established an internal complaint handling scheme for the financial institution;

(b) provide sufficient resources for implementation of the internal complaint handling scheme;

(c) review the complaint handling policy regularly to ensure that the policy remains relevant and, where necessary, adapt the policy to emerging issues; and

(d) monitor implementation of the internal complaint handling scheme.

6.—A complaint handling policy shall, at a minimum, contain—

Minimum requirements for complaint handling policy

(a) modalities and procedure for lodging complaints;

(b) procedure for recording complaints;

(c) procedure for assessing complaints;

(d) procedure for investigating complaints;

(e) procedure for provision of feedback to complainants;

(f) procedure for internal review of the complaint handling scheme;

(g) procedure for keeping a record of complaints;

(h) management of conflict of interest arising from complaint handling;

(i) training of members of staff on complaint handling;

(j) mechanisms for promoting consumer awareness of the policy;

(k) mechanisms for promoting staff awareness of the policy;

(l) mechanisms to promote internal information sharing on the complaint handling scheme with relevant members of staff;

(m) timeframe for resolving complaints;

(n) internal complaint escalation and reporting procedure; and

(o) monitoring and evaluation of the policy.

7. Management of a financial institution shall—

Responsibilities of management

(a) implement the complaint handling policy;

(b) establish a robust information management system to promote efficiency of the complaint handling scheme;

(c) ensure that the complaint handling policy is available to, and understood by, employees of the financial institution;

(d) ensure that information on the complaint handling scheme is available to consumers in a format and language accessible to the consumers;

(e) ensure that employees engaged in complaint handling possess relevant knowledge, skill and experience;

(f) put in place mechanisms to ensure that complaints are resolved fairly, timely, efficiently, effectively and amicably;

(g) put in place measures to ensure that possible conflicts of interest are identified and mitigated;

(h) put in place measures to ensure that systemic challenges identified in the course of handling a complaint are addressed;

(i) cause a register of complaints to be maintained; and

(j) submit to the Registrar returns and any other information as the Registrar may direct.

Publication of complaint handling procedure

8.—(1) A financial institution or its intermediary shall provide particulars of the complaint handling procedure of the financial institution to a consumer in a format and language which the consumer understands, at on boarding or after acquiring the financial product or service.

(2) The financial institution shall display its complaint handling procedure at a conspicuous place at its business premises and publish the procedure on its website and other social media platforms operated by the financial institution.

Financial institution to designate a complaint handling officer

9.—(1) A financial institution shall designate an officer as a complaint handling officer of the institution.

(2) The financial institution may assign such number of other officers as it may determine appropriate to work with the complaint handling officer in the performance of its obligations under this Directive.

Subcontracting of receipt of complaints

10. A financial institution may subcontract the receipt of complaints to an intermediary.

Modalities for receiving complaints

11.—(1) A financial institution shall put in place institutional arrangements for receiving complaints—

(a) in writing, including brail;

(b) by telephone;

(c) through electronic mail and other social media platforms of the institution; and

(d) in person.

(2) A financial institution may receive a complaint through an online complaint handling portal.

(3) A financial institution shall receive a complaint in person at its premises without any restriction, including the branch where the account of the complainant is domiciled.

Lodging of a complaint

12.—(1) A complaint lodged by a consumer shall be in Form A, set out in the *Schedule*, and shall be in the English or Chichewa language.

(2) Where a complaint is lodged—

(a) in person and the complainant is not able to write; or

(b) by telephone,

the officer receiving the complaint shall record the complaint in Form A.

(3) Where a complaint is lodged by a person acting on behalf of a consumer, the person shall provide sufficient evidence of authority to act on behalf of the consumer.

(4) A financial institution shall not charge a fee or impose any condition on a consumer who lodges a complaint.

(5) A financial institution shall, upon receipt of a complaint, acknowledge receipt of the complaint and the acknowledgement shall—

(a) specify the period within which the complaint shall be resolved; and

(b) inform the complainant of his right to lodge the complaint with the Registrar if the complainant does not receive feedback within the specified period.

13.—(1) A financial institution shall, upon receipt of a complaint—

Resolution of
complaints

(a) assess fairly and promptly the subject matter of the complaint, including whether the complaint should be upheld and what remedial action or redress may be appropriate;

(b) explain to the complainant, in a manner that is fair and clear, its assessment of the complaint;

(c) investigate the complaint promptly and impartially;

(d) communicate its decision to the complainant and the decision shall include an offer of an appropriate redress or remedial action; and

(e) implement the redress or remedial action offered to, and accepted by, the complainant.

(2) The financial institution shall resolve a complaint and communicate feedback to the complainant within—

(a) in the case of a complaint not requiring investigations, two working days from the date of receiving the complaint;

(b) in the case of a complaint requiring less complicated investigations, ten working days from the date of receiving the complaint;

(c) in the case of a complaint requiring complicated investigations, thirty working days from the date of receiving the complaint; or

(d) in the case of a complaint requiring very complicated investigations, such period as the Registrar may approve.

(3) The feedback provided under subparagraph (2) shall include a statement advising the complainant of his right of appeal under paragraph 15.

(4) A complaint shall be considered resolved when the financial institution implements the agreed redress or remedial action.

14.—(1) A financial institution shall keep and maintain a complaints register in Form B, set out in the *Schedule*.

Complaints
register

(2) The financial institution shall, upon request, submit the register to the Registrar, or any person authorized by the Registrar, for inspection.

Appeal

15.—(1) A complainant who—

(a) is not satisfied with a redress or remedial action offered by a financial institution may appeal the decision to the Registrar in Form C, set out in the *Schedule*; or

(b) does not receive a decision of the financial institution on the complaint, within the period specified in the acknowledgement received under paragraph 12(5), may lodge the complaint with the Registrar.

(2) An appeal under subparagraph (1) may be lodged—

(a) in writing, including brail;

(b) by telephone;

(c) through electronic mail and other social media platforms of the Registrar; or

(d) in person.

(3) Where the appeal is lodged—

(a) in person and the appellant is not able to write; or

(b) by telephone,

the officer receiving the appeal shall record the appeal in Form C.

(4) The financial institution shall implement the decision of the Registrar on the appeal or complaint within the period specified by the Registrar.

Submission of returns

16.—(1) A financial institution shall submit to the Registrar, on a quarterly basis, a complaint handling return in Form D, set out in the *Schedule*.

(2) The return prescribed under subparagraph (1) shall be submitted within fifteen days of the end of the preceding quarter.

(3) The Registrar may publish a summary of a consolidated return on the Registrar's website, in a newspaper, or any mode of publication the Registrar may deem appropriate.

(4) In addition to a return submitted under subparagraph (1), the Registrar may, at any time, order a financial institution to submit, within a specified period, any other information on complaint handling the Registrar may require.

Suspension of enforcement proceedings

17. Where a consumer lodges a complaint or appeal with the Registrar, the financial institution shall not, without the approval of the Registrar, commence an enforcement proceeding with respect to any matter connected to the complaint or appeal.

Limitation of time for lodging a complaint or appeal

18. A consumer may lodge a complaint or an appeal under this Directive within seven years from the date of the occurrence of the act or omission complained of.

19. The internal audit function of a financial institution shall, at least once every year, verify that the complaint handling scheme is operating in accordance with this Directive.

Internal audit of complaints handling scheme

20.—(1) Where a financial institution contravenes or fails to comply with any provision of this Directive, the institution and any member of the board or management of the institution shall be liable to a monetary penalty—

Monetary and administrative penalties

(a) in the case of the financial institution, of up to K50,000,000; and

(b) in the case of the member of the board or management, of up to K10,000,000.

(2) The offender shall pay the penalty imposed under subparagraph (1)—

(a) within five days from the date the notice of the penalty is received by the offender; and

(b) through an electronic bank transfer in favour of the Reserve Bank of Malawi.

(3) In addition to a monetary penalty imposed under subparagraph (1), the Registrar may issue any direction to, or impose on the offender any administrative penalty prescribed under the Act.

21. The Financial Services (Internal Complaints Handling Requirements) Directive, 2016 is hereby revoked.

Revocation GN. 20/2016

SCHEDULE

FINANCIAL SERVICES ACT

(CAP. 44:05)

FINANCIAL SERVICES (COMPLAINTS HANDLING) DIRECTIVE, 2024

FORM A—COMPLAINT FORM

INSTRUCTIONS:

In completing this form, please give as much information as possible. Where necessary, attach any relevant supporting documentation.

PARTICULARS OF THE COMPLAINANT

Name..... Date of complaint: / /

Sex: Male Female

Age: 18 – 30 31 – 50 Above 50

Academic qualification:.....

Occupation:.....

Identity:.....

Organisation:.....

Physical address:.....

Postal address:.....

Contact Details

Work No:..... Home No:.....

Mobile No:..... Email address:.....

Particulars of person acting on behalf of a complainant (where applicable)

Complaint medium

 Email In person Postal Mail Phone Social media Portal

Complaint Tracking Number.....

Details of complaint.....

:.....

:.....

Remedy requested

:.....

Attachments (list of supporting documents)

1.....

2.....

3.....

I confirm that the information provided is true and accurate to the best of my knowledge.

Date and Signature of Complainant

Signature:..... Date:.....

Date and Signature of individual filling the form on behalf of complainant (where applicable)

Signature:..... Date:.....

For official use

Name and position of Officer handling the complaint:

Name:..... Signature:.....

Contact details of officer handling complaint

Work No: Mobile No:

Email address:

Nature (category) of complaint:

Action Taken

Resolution

Date resolved and signature of complaint handling officer

Signature:..... Date:.....

FORM B—COMPLAINTS REGISTER

<i>Date of complaint</i>	<i>Complaint tracking number</i>	<i>Full name of Complainant</i>	<i>Mode of submission of Complaint</i>	<i>contact information of Complainant</i>	<i>Summary of complaint</i>	<i>Name and contact of officer handling complaint</i>	<i>Expected date of resolution of complaint</i>	<i>Status of complaint</i>	<i>Resolution</i>	<i>Actual date of resolution of complaint</i>

FORM C—COMPLAINT APPEAL FORM

INSTRUCTIONS—

In completing this form, please give as much information as possible. Where necessary, attach any relevant supporting documentation.

PARTICULARS OF THE COMPLAINANT

Name..... Date of complaint: / /

Sex: Male Female
 Age 18-30 31-50 Above 50

Academic qualification:.....

Occupation:.....

Identity:.....

Organisation:.....

Physical address:.....

Postal address:.....

Contact details

Work No..... Home No.....

Mobile No..... Email address:.....

Particulars of person acting on behalf of complainant (where applicable)

Complaint medium Email In person Postal Mail
 Phone Social media Portal

Details of Complaint

.....

Remedy requested

.....

Decision of financial institution appealed against

.....

Reasons for appeal

.....

Attachments (list of supporting documents)

1.
2.
3.

I confirm that the information provided is true and accurate to the best of my knowledge.

(Please be advised that the Registrar will discontinue investigations upon discovery that the information provided is deceptive, false or inaccurate)

Signature:..... Date:.....

SECTION B: MSME COMPLAINTS

<i>Ref. No.</i>	<i>Date of complaint</i>	<i>Complainant details</i>	<i>Gender</i>	<i>Age</i>	<i>Financial Inclusion and Entrepreneurship Scaling Project (FInES) Funded (Yes/No)</i>	<i>Mode of submission</i>	<i>Branch/Service Centre involved</i>	<i>Detail of Complaint</i>	<i>Resolution</i>	<i>Date of resolution</i>	<i>Comments</i>

Issued this 12th day of July, 2024

(REF. NO. FIN/PFSPD/02/03)

DR. W. T. BANDA
Registrar of Financial Institutions

GOVERNMENT NOTICE NO. 47

PENSION ACT
(No. 6 of 2023)

PENSION (PAYMENT OF PENSION AND PROVIDENT FUND BENEFITS)
DIRECTIVE, 2024

IN EXERCISE of the powers conferred by section 68 of the Pension Act, I, DR. WILSON TONINGA BANDA, Registrar of Financial Institutions, issue the following Directive—

- Citation 1. This Directive may be cited as the Pension (Payment of Pension and Provident Fund Benefits) Directive, 2024.
- Interpretation 2. In this Directive, unless the context otherwise requires—
“medical practitioner” means a medical practitioner approved by a trustee and listed on a list of medical practitioners maintained by the trustee; and
“statement of benefits” means a statement containing details of benefits due to a member or beneficiary under a pension or provident fund.
- Objective 3. The objective of this directive is to prescribe requirements and procedure for payment of benefits from pension and provident funds.
- Application for payment of benefits 4.—(1) A member who wishes his or her benefits in a pension or provident fund to be paid to him or her or transferred to another pension or provident fund, shall apply for the payment or transfer to the trustee of the pension or provident fund, in writing.

(2) A beneficiary who wishes his or her benefits in a pension or provident fund to be paid to him or her shall apply for the payment to the trustee of the pension or provident fund, in writing.

(3) An application for payment or transfer of benefits under subparagraph (1) or (2) shall be accompanied by supporting documents specified in fund rules of the pension or provident fund.

5.—(1) A trustee shall, within fourteen days of receipt of a complete application under paragraph 4, pay the benefits to the member or beneficiary or transfer the benefits to the other pension or provident fund specified by the member.

Period for
payment or
transfer of
benefits

(2) Where—

(a) the supporting documents provided by the member or beneficiary are incomplete, the trustee shall pay the benefits to the member or beneficiary, or transfer the benefits to the other pension or provident fund, within fourteen days of receipt of complete documents; or

(b) processing of payment of the benefits can only be made upon completion of an investigation by an independent investigator engaged by the trustee—

(i) the investigation shall be concluded within twenty-eight days of receipt of all the relevant documents in support of the application; and

(ii) the trustee shall pay the benefits within fourteen days of receipt of a report of the investigator recommending payment of the benefits to the member or beneficiary.

(3) A trustee who fails to pay benefits to a member or beneficiary or transfer the benefits to the other pension or provident fund specified by the member within the period prescribed under subparagraph (1) or (2) shall be liable to pay to the member or beneficiary a penalty interest on the total amount of benefits due at the prevailing Reserve Bank of Malawi policy rate, compounded each day of the period the benefits remain unpaid after the prescribed period.

(4) For purposes of this paragraph “independent investigator” means an investigator who is not an employee or trustee of the fund or a close relative of an employee or trustee of the fund.

6.—(1) The trustee shall, at least seven days prior to making payment of benefits, provide to the member or beneficiary a statement of benefits containing information specified in the *First Schedule*.

Payment of
benefits

(2) The member or beneficiary shall, prior to receiving the benefits, sign the statement of benefits.

(3) A trustee of an unrestricted pension fund shall, on the choice of a member, preserve within the pension fund or transfer to another pension fund, any balance of the pension benefits accruing to the member after making the payment.

Early payment
of benefits

7.—(1) A trustee shall pay benefits to a member under section 88 of the Act upon the member submitting—

(a) a certificate or letter of termination of employment from the previous employer; and

(b) an attestation that the member has not secured employment with another employer for a period of at least three months from the date his or her employment with the previous employer was terminated.

(2) Upon approval of an application for early payment of benefits, where the total amount of employer contributions, employee contributions, severance due entitlement, and investment income on employer contributions, employee contributions and severance due entitlement—

(a) exceeds one million five hundred thousand Kwacha, the trustee shall—

(i) pay to the member only employee contributions and investment income on employee contributions; and

(ii) preserve or transfer to the default fund or any unrestricted pension fund of the choice of the member, the employer contributions, severance due entitlement and investment income on employer contributions and severance due entitlement; or

(b) does not exceed one million five hundred thousand Kwacha, the trustee may, on the choice of the member, pay to the member the total amount in the account of the member.

(3) For purposes of subparagraph (1)(b), a sworn statement of the member or a letter signed by the member shall suffice as a valid attestation.

Payment of
benefits of a
member leaving
the country
permanently

8.—(1) A trustee shall pay benefits to a member under section 91 of the Act upon the member submitting—

(a) details of the destination country, including address of residence; and

(b) documentation showing emigration status of the member, including—

(i) permanent residence permit or citizenship of the destination country; and

(ii) proof of permanent or planned permanent relocation to the other country.

Payment of
benefits on
being
permanently
disabled

9.—(1) A trustee shall pay benefits to a member on the basis that the member is totally and permanently disabled, upon the member submitting—

(a) a medical report issued by a medical practitioner confirming that the member is totally and permanently disabled; and

(b) a letter from the employer confirming retirement of the member on the basis that the member is totally and permanently disabled.

(2) Where the member is not employed at the time of suffering the total and permanent disability, the member shall be exempted from the requirement to submit the letter specified under subparagraph (1)(b).

(3) A trustee shall maintain a list of approved medical practitioners and make the list available to members of the pension or provident fund of the trustee.

10.—(1) The threshold for payment of pension benefits as a lump sum under section 91(2)(b) of the Act shall be as prescribed in the *Second Schedule*. Lump sum payments

(2) A trustee shall pay to a member pension benefits as a lump sum under section 91(1)(e) of the Act only once prior to retirement.

(3) In determining the total value of the pension benefits payable under subparagraph (1), the value of benefits accumulated by the member at retirement shall include the amount accessed by the member under section 91(1)(e) of the Act.

11.—(1) A trustee shall notify a member, in writing, of the impending retirement date of the member at the following intervals—

- (a) ten years to the retirement date;
- (b) five years to the retirement date; and
- (c) after the notice in clause (b), annually.

Notification of retirement and payment of benefits on retirement

(2) The notification issued under subparagraph (1)(b) and (c) shall include a quotation of programmed withdrawal and annuity.

(3) The trustee shall, prior to paying pension benefits to a member on retirement, verify—

- (a) that the member has reached the prescribed retirement age; and
- (b) if the member was in employment at the time of applying for the benefits, that the member has ceased to be employed.

12.—(1) A trustee shall pay death benefits to a beneficiary if the application for the benefits is accompanied by—

Payment of death benefits

- (a) where the death occurred in Malawi—
 - (i) a death certificate issued by the National Registration Bureau;
 - (ii) a death report issued by a medical practitioner registered under the Medical Practitioners and Dentists Act; or
 - (iii) a letter confirming death bearing the signature and official stamp of the District Commissioner or Chief Executive Officer of the local government area of origin of the member or Traditional Authority of the area of origin of the member; or

Cap. 36:01

(b) where the death occurred in another country, a death report issued by a competent medical practitioner from that country.

(2) Where a member was employed at the time of death, the trustee may, in addition to documents required under subparagraph (1), require the beneficiary to submit a letter from the employer confirming the death.

(3) Where a beneficiary submits an application for payment of death benefits on the basis that the member is presumed dead, the application shall be accompanied by—

(a) a letter from the employer;

(b) a letter bearing the signature and official stamp of the District Commissioner or Chief Executive Officer of the local government area of origin of the member or Traditional Authority of the area of origin of the member; and

(c) a police report,

confirming that the member has been missing for at least three years.

(4) The trustee shall, prior to paying death benefits to the beneficiary, provide to the beneficiary a copy of the nomination submitted by the member to the trustee.

Procedure on transfer of benefits, etc.

13.—(1) A trustee shall, at least seven days prior to transferring benefits to another pension or provident fund in accordance with paragraph (5), provide to the member a statement of benefits containing information specified in the *First Schedule*.

(2) The trustee shall, upon transfer of benefits to another pension or provident fund submit to the other fund the statement of benefits of the member.

(3) A trustee of a defined benefit pension fund shall calculate the actuarial fair value of pension benefits accrued in line with the pension fund rules of the fund, and transfer the benefits to the pension fund specified by the member.

Crediting of benefits upon transfer

14.—(1) A trustee shall, upon receipt of transferred benefits under paragraph 13, credit the benefits into the account of the member specifying—

(a) employer contribution;

(b) investment income on employer contribution;

(c) employee contribution;

(d) investment income on employee contribution;

(e) additional voluntary contribution;

(f) investment income on additional voluntary contribution;

(g) severance due entitlement; and

(h) investment income on severance due entitlement.

(2) The trustee shall, in addition to crediting the account of the member as specified in subparagraph (1), specify in the account—

(a) where the member was paid a benefit within the period of five years to retirement, the amount paid to the member; and

(b) fees and charges levied on the account.

Prevention of fraud

15. A trustee shall put in place measures to prevent fraud in the payment of benefits.

16.—(1) Where a trustee contravenes or fails to comply with any provision of this Directive, the trustee and any member of the board of directors or management of the trustee, shall be liable to a monetary penalty— Monetary and administrative penalties

(a) in the case of a corporate trustee, of up to K50,000,000; and

(b) in the case of a natural person, of up to K10,000,000.

(2) The offender shall pay the penalty imposed under subparagraph (1)—

(a) within five days from the date the notice of the penalty is received by the offender; and

(b) through an electronic bank transfer in favour of the Reserve Bank of Malawi.

(3) In addition to a monetary penalty imposed under subparagraph (1), the Registrar may issue any direction to, or impose on, the offender any administrative penalty prescribed under the Act or the Financial Services Act. Cap. 44:05

17. The Pension (Payment of Benefits for Pension Fund) Directive, 2014 is hereby revoked. Revocation
GN. 33/2014

FIRST SCHEDULE

(para. 6(1) & 13(1))

STATEMENT OF BENEFITS

A statement of benefits shall, at a minimum, contain—

- (a) name of the fund;
- (b) the business address of the fund;
- (c) names of trustees of the fund;
- (d) name of the member;
- (e) date of employment of the member;
- (f) employer contribution, where applicable;
- (g) investment income on employer contribution, where applicable;
- (h) member contribution;
- (i) investment income on member contribution;
- (j) severance due entitlement, where applicable;
- (k) investment income on severance due entitlement, where applicable;
- (l) additional voluntary contribution, where applicable;
- (m) investment income on additional voluntary contribution, where applicable;
- (n) amount accessed within five years to retirement, where applicable;
- (o) fees and charges levied on the account;
- (p) total pension benefits;
- (q) total death benefits, where applicable;
- (r) withdrawal option; and
- (s) exit declaration*.

**A declaration to be signed between a trustee and a member, beneficiary or legal representative of the beneficiary evidencing the exit of the member or beneficiary from the pension or provident fund.*

SECOND SCHEDULE

(para. 10(1))

Amount of calculated programed withdrawals, annuities or pension which a member may commute into lump sum.

<i>Age of a member at retirement</i>			<i>Amount of lump sum (in Kwacha)</i>
≤50	..	..	14,395,921.12
51	..	..	14,146,960.46
52	..	..	13,897,570.95
53	..	..	13,647,990.97
54	..	..	13,391,821.47
55	..	..	13,142,430.00
56	..	..	12,893,674.43
57	..	..	12,645,875.99
58	..	..	12,392,334.52
59	..	..	12,146,397.32
60	..	..	11,901,483.22
61	..	..	11,658,241.21
62	..	..	11,410,263.03
63	..	..	11,171,665.51
64	..	..	10,935,996.34
65	..	..	10,704,011.51
66	..	..	10,469,844.63
67	..	..	10,247,088.02
68	..	..	10,029,632.66
69	..	..	9,818,276.66
≥70	..	..	9,608,132.01

Issued this 12th day of July, 2024

GOVERNMENT NOTICE No. 48

CUSTOMS AND EXCISE ACT

(CAP.42:01)

CUSTOMS AND EXCISE (TARIFFS) (AMENDMENT) (NO.2) ORDER, 2024

IN EXERCISE of the powers conferred by section 83(1) of the Customs and Excise Act,
I, SIMPLEX CHITHYOLA, Minister of Finance and Economic Affairs, make the following
Order—

Citation

1. This Order may be cited as the Customs and Excise (Tariffs)
(Amendment) (No.2) Order, 2024.

2. The Customs and Excise (Tariffs) Order is amended, in Part III of the *First Schedule*, by deleting the entry "Exempt" in Column 11 and substituting therefor, the entry "16.5%", under the following tariff subheadings—

Amendment
of Part III of
the *First
Schedule* to
Cap.42:01
sub. leg.
p.144c

8702.40.11; 8702.40.12; 8702.40.13; 8702.40.21; 8702.40.22;
8702.40.23; 8702.40.24; 8702.40.25; 8702.40.26; 8702.40.27;
8702.40.28; 8702.40.29; 8702.40.30; 8702.40.51; 8702.40.52;
8702.40.53; 8702.40.54; 8702.40.55; 8703.80.10; 8703.80.20;
8703.80.90; 8704.60.00.

Made this 3rd day of July, 2024.

(FILE NO. C/RPD/6/3/3/21)

S. CHITHYOLA
Minister of Finance and Economic Affairs