

**THE ZAMBIA INSTITUTE OF BANKING AND
FINANCIAL SERVICES BILL, 2022**

MEMORANDUM

The objects of this Bill are to—

- (a) provide for the registration of banking and financial service practitioners and regulate their practice and professional conduct;
- (b) continue the existence of the Zambia Institute of Banking and Financial Services and provide for its functions;
- (c) promote the banking and financial services profession; and
- (d) provide for matters connected with, or incidental to, the foregoing.

M. D. KABESHA,
Attorney-General

N.A.B. 22, 2022
14th October, 2022

**THE ZAMBIA INSTITUTE OF BANKING AND FINANCIAL
SERVICES BILL**

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FIRST SCHEDULE

SECOND SCHEDULE

A BILL

ENTITLED

An Act to provide for the registration of banking and financial service practitioners and regulate their practice and professional conduct; continue the existence of the Zambia Institute of Banking and Financial Services and provide for its functions; promote the banking and financial services profession; and provide for matters connected with, or incidental to, the foregoing.

ENACTED by the Parliament of Zambia

Enactment

PART I

PRELIMINARY PROVISIONS

- | | | |
|----|--|---|
| 5 | 1. This Act may be cited as the Zambia Institute of Banking and Financial Services Act, 2022, and shall come into operation on the date appointed by the Minister by statutory instrument. | Short title and commencement |
| 10 | 2. In this Act, unless the context otherwise requires—
“associate” has the meaning assigned to the word in the Anti-Corruption Act, 2012;
“Bank of Zambia” means the Bank of Zambia established under the Constitution;
“bank” has the meaning assigned to the word in the Banking and Financial Services Act, 2017;
“Chairperson” means the person appointed Chairperson of the Disciplinary Committee under section 39;
“chairperson” means a person appointed as chairperson of a Professional Conduct Committee under section 34; | Interpretation

Act No. 3 of 2012

Cap. 1

Act No.7 of 2017 |
| 15 | | |

	“code of ethics” means the code of professional conduct and ethics adopted and published by the Institute for the purposes of this Act;	
	“constitution” means the constitution of the Institute adopted in accordance with section 5;	5
	“core banking and financial service operation” means the main activities relating to the conduct of a banking and financial service which include customer acquisition, deposit taking, withdrawal processing, digital payment, treasury, loan and credit processing and any other activity as the Minister may, by statutory instrument, determine;	10
	“Council” means the Council of the Institute constituted under section 8;	
	“council member” means a person elected or nominated as a council member under section 8;	15
	“Disciplinary Committee “ means the Disciplinary Committee of the Institute constituted under section 39;	
Act No.7 of 2017	“financial institution” has the meaning assigned to the words in the Banking and Financial Services Act, 2017;	
Act No.7 of 2017	“financial services” has the meaning assigned to the words in the Banking and Financial Services Act, 2017.	20
	“financial business” has the meaning assigned to the words in the Banking and Financial Services Act, 2017;	
Act No. 4 of 2013	“Higher Education Authority” means the Higher Education Authority established under the Higher Education Act, 2013;	25
Act No. 4 of 2013	“higher education institution” has the meaning assigned to the words in the Higher Education Act, 2013;	
	“inspector” means a person appointed as an inspector under section 47;	
	“Institute” means the Zambia Institute of Banking and Financial Services continued under section 3;	30
	“Law Association of Zambia” means the Law Association of Zambia established under the Law Association of Zambia Act;	

- “legal practitioner” has the meaning assigned to the words
“practitioner” in the Legal Practitioners Act; Cap. 31
- “legally disqualified” means the absence of legal capacity as
provided under section 4 of the Mental Health Act, 2019; Cap. 30
Act No. 6 of
2019
- 5 “member” means a person registered as a member of the
Institute in accordance with the constitution and
“membership” shall be construed accordingly;
- “practitioner” means a person engaged in the core banking
and financial service operation as that person’s main paid
10 occupation, or possesses knowledge, training or experience
in the field of banking or financial services, and is registered
with a valid certificate issued in accordance with this Act;
- “President” means a person elected as President of the
Institute under section 6;
- 15 “professional misconduct” means the conduct referred to
under section 32;
- “Professional Conduct Committee” means a Professional
Conduct Committee constituted under section 34;
- 20 “register” means a register of the Institute referred to under
section 28;
- “Registrar” means the person appointed as Registrar under
section 11;
- “relative” has the meaning assigned to the word in the Anti-
Corruption Act, 2012; Act No. 3 of
2012
- 25 “Vice Chairperson” means the person appointed as Vice
Chairperson of the Disciplinary Committee under section
39;
- “vice-chairperson” means a person appointed as vice-
chairperson of a Professional Conduct Committee under
30 section 34;
- “Vice President” means the person elected as Vice President
of the Institute under section 6; and
- 35 “Zambia Qualifications Authority” means the Zambia
Qualifications Authority established under the Zambia
Qualifications Authority Act, 2011. Act No. 13
of 2011

PART II

THE ZAMBIA INSTITUTE OF BANKING AND FINANCIAL
SERVICES

- Continuation
of Zambia
Institute of
Banking and
Financial
Services
Cap. 119
3. (1) The Zambia Institute of Banking and Financial Services registered under the Societies Act is continued as if established under this Act. 5
- (2) The Institute is a body corporate with perpetual succession and a common seal, capable of suing and being sued in its corporate name and with power, subject to the provisions of this Act, to do all acts and things that a body corporate may, by law, do or perform. 10
- (3) The First Schedule applies to the Institute.
- Functions of
Institute
4. (1) The functions of the Institute are to—
- (a) advance the banking and financial services profession and promote its interest;
- (b) register and regulate practitioners; 15
- (c) issue practising certificates to eligible members;
- (d) register students of banking and financial services;
- (e) set and enforce professional standards for practitioners;
- (f) encourage and promote research into a matter affecting the banking and financial services profession; 20
- (g) investigate cases of professional misconduct under this Act;
- (h) publish a journal of the Institute, and collect, collate and publish other information of service and interest to the Institute; 25
- (i) promote public awareness in matters relating to the banking and financial services profession;
- (j) enforce continuing professional development requirements for practitioners; and
- (k) collaborate with higher education institutions, Bank of Zambia, Government departments and other institutions to improve the quality of the banking and financial services profession. 30

(2) The Institute may—

(a) determine the fees payable for services rendered for purposes of this Act; and

5 (b) determine what portion of any fee is payable in respect of any part of the year and the date on which the fee or portion of the fee is payable.

5. (1) The Institute shall, by a vote of at least two thirds of the members voting at a general meeting of the Institute, adopt a constitution and may, in a like manner, amend it.

Constitution
of Institute

10 (2) Subject to this Act, the constitution shall regulate the conduct of the affairs of the Institute.

(3) The constitution may provide for the —

15 (a) meetings of the Institute, including the delivery of notices of the meetings, the quorum, voting, adjournments and other matters of procedure or conduct of the meetings;

(b) election and qualifications of the office of President, Vice President and other office bearers of the Council;

(c) composition, functions, powers and procedures of the committees of the Institute;

20 (d) classes of membership and their rights, privileges and obligations; and

(e) any other matter as the membership may determine.

6. The members shall elect the President and Vice President of the Institute in accordance with the provisions of the constitution

President
and Vice-
President of
Institute

25 7. (1) Subject to this Act, the Institute may regulate its own procedure.

Meetings of
Institute

(2) The meetings of the Institute shall be conducted in accordance with the provisions of the constitution.

30 8. (1) There is constituted the Council of the Institute which is responsible for the management and control of the affairs of the Institute.

Council of
Institute

(2) The Council consists of the following council members nominated or elected in accordance with the provisions of the constitution:

-
- (a) the President of the Institute, as Chairperson;
- (b) the Vice President, as Vice-Chairperson, who shall be a representative of the Bank of Zambia;
- (c) the Treasurer;
- (d) a representative of a bank; 5
- (e) a representative of a financial institution;
- (f) a representative of a financial business; and
- (g) five members who are registered under this Act.
- (3) A person shall not be elected or nominated as a council member if that person— 10
- (a) is found guilty of professional misconduct under this Act within a period of one year preceding the election as a member;
- (b) is in lawful custody or the person's freedom of movement is restricted under any law in force or outside the Republic on the date of election; 15
- (c) has twice served as a council member;
- (d) is an undischarged bankrupt under any law;
- (e) is legally disqualified;
- (f) has been convicted of an offence involving fraud and dishonesty under this Act or any other written law; or 20
- (g) is an employee of the Institute.
- (4) The First Schedule applies to the Council.
- Functions of Council 9. (1) The functions of the Council are to perform the executive functions of the Institute. 25
- (2) Despite the generality of subsection (1), the functions of the Council are to—
- (a) approve the policies, programmes and strategies of the Institute;
- (b) approve the annual work plan, action plans, activities and reports of the Institute; 30
- (c) approve the annual budget estimates and financial statements of the Institute;

(d) monitor and evaluate the performance of the Institute against budgets and plans; and

(e) advise the Minister on matters relating to the banking and financial services profession.

5 **10.** The Council may, subject to any conditions imposed, and guidelines issued by the Council, delegate to the Registrar any of its functions under this Act. Delegation of functions of Council

11. (1) The Council shall appoint the Registrar who shall be— Registrar and other staff

10 (a) the chief executive officer of the Institute and Secretary to the Council; and

 (b) responsible for the day-to-day administration of the Institute.

 (2) The Registrar shall be a registered practitioner with a valid practising certificate issued under this Act.

15 (3) The Registrar shall attend meetings of the Council or a committee of the Council and may address those meetings but shall have no vote.

 (4) The Council shall appoint other staff of the Institute that the Council considers necessary for the performance of the functions
20 of the Institute.

 (5) The Council shall determine the conditions of service and emoluments of the Registrar and other staff of the Institute.

PART III

REGISTRATION OF PRACTITIONERS AND ISSUANCE OF

25 PRACTISING CERTIFICATES

12. (1) A person shall not be employed or practice as a practitioner unless that person is registered as a practitioner in accordance with this Act. Prohibition of practising without registration

30 (2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

Application
for
registration
as
practitioner

13. (1) A person who intends to be employed or to practice as a practitioner in the Republic shall apply to the Institute for registration in the prescribed manner and form on payment of a prescribed fee.

(2) The Institute may determine different fees for different 5 classes of practitioners.

(3) The Institute may, within fourteen days of receipt of an application under subsection (1), approve or reject the application.

(4) The Institute shall, where it rejects an application under subsection (3), inform the applicant and give reasons for the 10 decision.

Registration as
practitioner

14. (1) The Institute shall, within fourteendays of the approval of an application under section 13, register an applicant as a practitioner if the Institute is satisfied that the applicant—

(a) is registered as a member in accordance with the provisions 15 of the constitution;

(b) possesses knowledge, training and experience as may be prescribed;

(c) holds a qualification recognised and validated by the Zambia Qualifications Authority; 20

(d) is of good character and good professional standing; and

(e) meets other requirements that the Minister may, on the recommendation of the Institute, prescribe by statutory instrument.

(2) The Institute shall issue a practitioner with a certificate of 25 registration in the prescribed form showing the practitioner's class of membership.

(3) A certificate of registration shall remain the property of the Institute and shall have an unlimited period of validity unless suspended or cancelled under this Act. 30

15. A person shall not qualify for registration as a practitioner if that person—
- Disqualification from registration
- (a) is convicted of an offence involving fraud or dishonesty under this Act or any other written law in the preceding five years prior to the registration;
- 5
- (b) is legally disqualified; or
- (c) is an undischarged bankrupt; or
- (d) found guilty of professional misconduct by the Disciplinary Committee and the Disciplinary Committee orders the cancellation of the certificate of registration of that practitioner.
- 10
16. A registered practitioner shall use the title or designation as prescribed in the constitution.
- Title for registered practitioner
17. A practitioner registered under this Act shall notify the Registrar of any change in the particulars relating to the registration within seven days of the change.
- 15
- Change in details
18. (1) Subject to this Act, the Institute may suspend or cancel the registration of a practitioner where—
- Suspension and cancellation of registration
- (a) the Institute has reasonable grounds to believe that the registration was obtained through fraud, misrepresentation or concealment of a material fact;
- 20
- (b) the practitioner is found guilty of professional misconduct under this Act or the code of ethics and the Disciplinary Committee orders the suspension or cancellation of the practitioner's certificate of registration;
- 25
- (c) the practitioner is convicted of an offence under any written law and sentenced to imprisonment for a period exceeding six months without the option of a fine; or
- (d) since the registration, circumstances have arisen disqualifying the practitioner from registration.
- 30
- (2) The Institute shall, before suspending or cancelling the registration under subsection (1), give the practitioner an opportunity to be heard.

(3) The Institute may, before cancelling the registration of a practitioner, suspend the practitioner for a specified period and on terms and conditions that the Institute may determine.

(4) Where the Institute cancels the registration of a practitioner under this section, the name of the practitioner shall be removed from the register and shall not be restored, except on conditions that may be prescribed, and on payment of a prescribed fee.

Re
registration

19. Where a certificate of registration is cancelled under section 18, the holder of the certificate of registration may, subject to the terms and conditions that the Institute may determine, apply for re registration.

Prohibition of
practising
without valid
practising
certificate

20. (1) A person shall not practice as a practitioner without a valid practising certificate issued to that person by the Institute under this Act.

(2) A person shall not offer employment to a person who does not hold a valid practising certificate issued under this Act.

(3) A person who contravenes subsection (1) or (2) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

Practising
certificate

21. (1) A registered practitioner shall apply to the Institute for a practising certificate in the prescribed manner and form on payment of a prescribed fee.

(2) The Institute shall, within thirty days of the receipt of an application under subsection (1), and if the applicant meets the requirements of this Act, issue the applicant with a practising certificate in the prescribed form.

(3) The Minister may, by statutory instrument, on the recommendation of the Institute, make Regulations to provide for—

(a) the terms and conditions for the issuance of a practising certificate;

(b) the type of continuous professional development and training and any other information required for the issuance of a practising certificate; and

(c) any other matter necessary for the purposes of this Act.

22. (1) A practising certificate shall be renewed annually in the prescribed manner and form on payment of a prescribed fee. Renewal of practising certificate
- (2) A practising certificate that is not renewed in accordance with subsection (1) is void.
- 5 23. (1) Subject to this Act, the Institute may suspend or cancel a practising certificate if the holder— Suspension and cancellation of practising certificate
- (a) is found guilty of professional misconduct and the Disciplinary Committee orders the suspension or cancellation of the practising certificate;
- 10 (b) is convicted of an offence under any other written law and sentenced to imprisonment for a term exceeding six months without the option of a fine;
- (c) is legally disqualified;
- (d) is an undischarged bankrupt;
- 15 (e) obtained the practising certificate through fraud, misrepresentation or concealment of a material fact; or
- (f) is de-registered under this Act.
- (2) The Institute shall, before suspending or cancelling the practising certificate of a practitioner under this section, give the
20 practitioner an opportunity to be heard.
- (3) The Institute may, before cancelling the practising certificate of a practitioner, suspend the practitioner for a specified period and on terms and conditions that the Institute may determine.
- (4) Where a certificate of registration is cancelled under this
25 Part, the practising certificate of the holder of the certificate of registration shall be void.
24. The Institute may, where a practitioner holding a practising certificate does not intend to practice or be employed in the banking and financial services sector for a specified period of time, maintain
30 the name of the practitioner on the register, in a non practising category, for that period of time. Maintenance of non-practising practitioner on register

- Prohibition of transfer of certificate **25.** A certificate of registration or practising certificate issued under this Part shall not be transferred to a third party.
- Duplicate certificate of registration or practising certificate **26.** (1) A person whose certificate of registration or practising certificate is destroyed or lost may apply to the Registrar for a duplicate certificate in the prescribed manner and form on payment of a prescribed fee. 5
- (2) The Registrar may, within fourteen days of receipt of an application under subsection (1), issue a duplicate certificate of registration or practising certificate to the applicant.
- Surrender of cancelled certificate of registration or practising certificate **27.** A practitioner whose certificate of registration or practising certificate is cancelled shall, within seven days of being notified of the cancellation, surrender the certificate of registration or practising certificate to the Institute. 10
- Registers **28.** (1) The Institute shall keep and maintain registers of— 15
- (a) members;
- (b) registered practitioners;
- (c) the holders of practising certificates and persons whose practising certificates have been cancelled;
- (d) students of banking and financial services;
- (e) the applications rejected and reasons for the rejection; 20
and
- (f) any other information that the Institute may determine.
- (2) The registers referred to under subsection (1) shall contain particulars as may be prescribed.
- (3) The registers shall be kept in the custody of the Registrar at the offices of the Institute and shall be open for inspection to members of the public during normal office hours on payment of a fee that the Institute may determine. 25
- (4) The Registrar shall, on an application by any person, issue to the person a certified extract from the registers or a copy of a certificate of registration or practising certificate, on payment of a fee as the Institute may determine. 30

29. (1) The Registrar shall, on the direction of the Council, cause copies of any of the registers, including alterations of, or additions to, those registers to be printed and published in a manner and form that the Council may direct. Publication of copies of registers

5 (2) Subject to this Act, a copy of the last published and printed register shall be *prima facie* evidence in legal proceedings of what is contained in that register and the absence of the name of a practitioner, member or student from that copy, is *prima facie* evidence that the person is not registered as a practitioner, member
10 or student.

30. (1) A person shall not—

(a) make or cause to be made, an unauthorised entry, alteration or erasure on a register, certificate of registration or practising certificate, or on a certified copy of a register, certificate of registration or practising certificate; Offences relating to registration
15

(b) procure or attempt to procure registration under this Act by fraud, misrepresentation or the concealment of a material fact;

(c) impersonate a registered practitioner or use the title or designation of a registered practitioner while not registered as a practitioner under this Act; or
20

(d) forge a certificate of registration, practising certificate or other document issued under this Act.

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.
25

PART IV
DISCIPLINARY MATTERS

30 31. The Council shall adopt and publish a code of ethics for practitioners which shall bind practitioners regulated under this Act. Code of ethics

32. A practitioner commits professional misconduct if that professional— Professional misconduct

(a) contravenes a provision of this Act;

35 (b) unlawfully discloses or uses to the practitioner's advantage any information acquired in the practice of the practitioner;

(c) engages in conduct that is dishonest, fraudulent or deceitful;
or

(d) breaches the code of ethics or encourages another
practitioner to breach or disregard the code of ethics.

Initiation of
disciplinary
action

33. (1) A person may lodge a complaint with the Institute 5
against a practitioner where that person alleges that the practitioner
has contravened the code of ethics or any provision of this Act.

(2) The Institute may initiate disciplinary action under this
section where the Institute has reasonable grounds to believe that a
practitioner has contravened the code of ethics or any provision of 10
this Act.

(3) A complaint or allegation under subsection (1) shall be made
to the Registrar in the prescribed manner and form.

Professional
Conduct
Committee

34. (1) The Council shall constitute an *ad hoc* Professional
Conduct Committee for each province and progressively each 15
district consisting of the following part-time members:

(a) four members who are practitioners; and

(b) a legal practitioner nominated by the Law Association of
Zambia.

(2) The members shall elect the chairperson and vice- 20
chairperson among the persons in subsection (1)(a).

(3) A person shall not be appointed as a member of the
Professional Conduct Committee if that person—

(a) is found guilty of professional misconduct under this Act
or an other written law; 25

(b) is an undischarged bankrupt;

(c) is legally disqualified from performing the functions of a
member; or

(d) is convicted of an offence under any other written law
and sentenced to imprisonment for a period exceeding 30
six months without the option of a fine.

(4) A member of the Professional Conduct Committee shall hold office for a term of three years and may be appointed for a further and final term of three years.

5 (5) A member shall, on expiration of the term for which the member is appointed, continue to hold office until another member is appointed, but in no case shall an extension of the period exceed three months.

(6) The office of a member becomes vacant if that member—

(a) dies;

10 (b) is adjudged bankrupt under any written law;

(c) is absent from three consecutive meetings of the Professional Conduct Committee of which the member has notice, without the prior approval of the Professional Conduct Committee;

15 (d) resigns, by notice in writing, to the Council;

(e) is legally disqualified from performing the functions of a member;

(f) is found guilty of professional misconduct;

(g) is de-registered under this Act;

20 (h) is convicted of an offence under this Act; or

(i) is convicted of an offence under any other written law and sentenced to imprisonment for a term exceeding six months without the option of a fine.

25 (7) The Council shall, where there is a vacancy in the membership of the Professional Conduct Committee before the expiry of the term of office, appoint another person to replace the member who vacates office, but that person shall only hold office for the remainder of the term.

30 **35.** Except as otherwise expressly stated, before a matter is referred to the Disciplinary Committee, the Institute shall in the prescribed manner refer that matter for investigation by a Professional Conduct Committee.

Referring of
matters to
Professional
Conduct
Committee

35 **36.** (1) A Professional Conduct Committee shall investigate a matter referred to it by the Institute.

Functions of
Professional
Conduct
Committee

(2) Where a case is referred to a Professional Conduct Committee, that Professional Conduct Committee shall consider the case and subject to the provisions of this section, determine either—

(a) that no inquiry shall be held in the case by the Disciplinary Committee; or

(b) that the matter in question shall, in whole or in part, be referred to the Disciplinary Committee for inquiry.

(3) Where the Professional Conduct Committee determines that no inquiry shall be held in a case by the Disciplinary Committee, the Registrar shall inform the complainant, if any, and the practitioner of the decision of the Professional Conduct Committee on terms as the Professional Conduct Committee may direct. 5

(4) The Professional Conduct Committee shall, if the Professional Conduct Committee considers it just, cause further investigations to be done, or obtain advise or assistance from any person that the Professional Conduct Committee considers necessary. 10

(5) Where a Professional Conduct Committee determines that further investigations are necessary, or where at the time when a Professional Conduct Committee is considering the case no explanation has been furnished by the practitioner against whom a complaint has been lodged, the Professional Conduct Committee may make a provisional determination that the matter, in whole or in part, be referred to the Disciplinary Committee. 15 20

(6) Where a Professional Conduct Committee makes a provisional determination in accordance with subsection (5) and further investigations are concluded or an explanation is subsequently furnished by the practitioner, the chairperson may, in consultation with the members of the Professional Conduct Committee and on the opinion of the majority of the members of the Professional Conduct Committee, direct that— 25

(a) an inquiry shall not be held in the case by the Disciplinary Committee; or 30

(b) the matter be referred to the Disciplinary Committee for inquiry.

(7) Where a direction is given in accordance with subsection (6)(a), the Registrar shall inform the complainant, if any, and the practitioner of the decision of the Professional Conduct Committee on terms as the Professional Conduct Committee may direct. 35

(2) Three members of a Professional Conduct Committee shall form a quorum at a meeting or sitting of a Professional Conduct Committee.

(3) The chairperson, or in the absence of the chairperson, the vice-chairperson, shall preside at a meeting or sitting of a Professional Conduct Committee.

(4) A question at a sitting or meeting of a Professional Conduct Committee shall be decided by a majority of the members present at a sitting or meeting, and in the event of an equality of votes, the person presiding at the sitting or meeting shall have a casting vote in addition to that person's deliberative vote.

(5) A party to a hearing of a Professional Conduct Committee may appear in person or be represented by a legal practitioner or, if the party so elects, by any other person.

(6) A person who is present at a meeting or sitting of a Professional Conduct Committee at which a matter is the subject of consideration and in which matter that person or that person's relative or associate is directly or indirectly interested in a private capacity shall, as soon as is practicable after the commencement of the meeting, disclose that interest and shall not, unless the Professional Conduct Committee otherwise directs, take part in any consideration or discussion of, or vote on, any question relating to that matter.

(7) A disclosure of interest made under this section shall be recorded in the minutes of the meeting at which it is made.

(8) A Professional Conduct Committee shall cause to be kept a record of its proceedings.

38. The Professional Conduct Committee may, where the Professional Conduct Committee determines that no inquiry shall be held in the case by the Disciplinary Committee but finds a practitioner guilty of professional misconduct, impose any of the following sanctions:

- (a) counseling, mentorship or censure of the practitioner;
- (b) cautioning the practitioner;
- (c) that the practitioner pays an administrative penalty not exceeding fifty thousand penalty units to the Institute;
- (d) that the practitioner pays to the Institute or any other party to the hearing any costs of, or incidental to, the proceedings;

Sanctions
for
practitioners
by
Professional
Conduct
Committee

	(e) retraining or rehabilitation of the practitioner; or	
	(f) suspension of the practitioner.	
Disciplinary Committee	39. (1) The Council shall constitute a Disciplinary Committee consisting of the following part-time members—	
	(a) the Chairperson;	5
	(b) the Vice Chairperson; and	
	(c) five practitioners, who have been in practice for at least ten years and are not members of the Council.	
	(2) The Chairperson and Vice-Chairperson shall be legal practitioners of not less than ten years legal experience.	10
	(3) A person shall not be appointed as a member of the Disciplinary Committee if that person—	
	(a) is found guilty of professional misconduct under this Act or any other written law;	
	(b) is an undischarged bankrupt;	15
	(c) is legally disqualified from performing the functions of a member;	
	(d) in the case of a member under subsection (1) (c), has not been on the register of practitioners for at least ten years preceding the appointment; or	20
	(e) is convicted of an offence under this Act or any other written law and sentenced to imprisonment for a term exceeding six months without the option of a fine.	
	(4) A member of the Disciplinary Committee shall hold office for a term of three years and may be re appointed for a further and final term of three years.	25
	(5) A member shall, on expiration of the term for which the member is appointed continue to hold office until another member is appointed but in no case shall an extension of the period exceed three months.	30
	(6) The office of a member becomes vacant if that member—	
	(a) dies;	
	(b) is adjudged bankrupt under any written law;	
	(c) is absent from three consecutive meetings of the Disciplinary Committee of which the member has notice, without the prior approval of the Disciplinary Committee;	35

- (d) resigns by notice, in writing, to the Council;
- (e) is legally disqualified from performing the functions of a member of the Disciplinary Committee;
- (f) is found guilty of professional misconduct;
- 5 (g) is de-registered under this Act or any other written law;
or
- (h) is convicted of an offence under any other written law and sentenced to imprisonment for a term exceeding six months without the option of a fine.

10 (7) The Council shall, where there is a vacancy in the membership of the Disciplinary Committee before the expiry of the term of office, appoint another person to replace the member who vacates office but that person shall only hold office for the remainder of the term.

15 (8) The Registrar shall be the Secretary to the Disciplinary Committee but shall not vote on any matter before the Disciplinary Committee.

20 **40.** (1) The functions of the Disciplinary Committee are to hear and determine any complaint referred to the Disciplinary Committee by a Professional Conduct Committee against a practitioner.

Functions of
Disciplinary
Committee

(2) The Disciplinary Committee may publicise as the Disciplinary Committee considers appropriate, the facts relating to a practitioner who is found guilty of, and punished for, professional misconduct.

25 **41.** (1) Subject to the other provisions of this Act, the Disciplinary Committee may regulate its own procedure.

Proceedings
of
Disciplinary
Committee

(2) Five members of the Disciplinary Committee shall form a quorum at a meeting or sitting of the Disciplinary Committee.

30 (3) The Chairperson, or in the absence of the Chairperson, the Vice-Chairperson shall preside at a meeting or sitting of the Disciplinary Committee.

35 (4) A question at a meeting or sitting of the Disciplinary Committee shall be decided by a majority of the members present at the meeting or sitting of the Disciplinary Committee and in the event of an equality of votes, the person presiding at the meeting or sitting shall have a casting vote in addition to that person's deliberative vote.

(5) The proceedings of the Disciplinary Committee shall be in camera.

(6) A party to a hearing of the Disciplinary Committee may appear in person or be represented by a legal practitioner or, if the party so elects, by any other person. 5

(7) A decision of the Disciplinary Committee shall be in the form of a reasoned judgment and a copy of the judgment shall be supplied to each party to the proceedings and to every person affected by the decision.

(8) If a person is present at a meeting or sitting of the Disciplinary Committee at which any matter is the subject of consideration, and in which matter that person or that person's relative or associate is directly or indirectly interested in a private capacity, that person shall, as soon as is practicable after the commencement of the meeting or sitting, disclose the interest and shall not, unless the Disciplinary Committee otherwise directs, take part in any consideration or discussion of, or vote on, any question relating to that matter. 10 15

(9) A disclosure of interest made under this section shall be recorded in the minutes of the meeting at which it is made. 20

(10) The Disciplinary Committee shall cause to be kept a record of its proceedings.

Powers of
Disciplinary
Committee

42. (1) The Disciplinary Committee may, for the purposes of a hearing, hear and receive evidence and may—

(a) under the hand of the Chairperson or the Registrar, summon witnesses and require the production of a book, record, document, electronic record or anything required for the purposes of the proceeding; and 25

(b) through the Chairperson or Vice Chairperson, administer an oath to a witness. 30

(2) A person summoned to attend before the Disciplinary Committee shall not—

(a) refuse or fail to attend at the time and place specified in the summons

or, having attended, leave without the permission of the Disciplinary Committee; 35

(b) having attended, refuse to be sworn or to affirm;

(c) refuse, without lawful excuse, to answer fully and satisfactorily to the best of that person's knowledge and belief, a question lawfully put to that person; or 40

(d) refuse to produce a book, record, document or thing which that person has been required by summons to produce.

(3) A person who contravenes subsection (2) commits an offence and is liable, on conviction, for that refusal or failure, to a fine not exceeding two hundred thousand penalty units.

(4) Despite subsection (2), a person shall not be compelled to answer any question or produce any book, record or document which that person would not be compelled to answer or produce on the trial of an action in the High Court.

(5) A hearing before the Disciplinary Committee shall, for the purposes of Chapter XI of the Penal Code, be deemed to be a judicial proceeding.

Cap. 87

(6) A finding of fact which is shown to have been made by a court in the Republic shall, in any hearing before the Disciplinary Committee, be conclusive evidence of the fact so found.

(7) The Disciplinary Committee shall, where the Disciplinary Committee has reasonable cause to believe that a practitioner is legally disqualified, refer the matter for determination in accordance with the Mental Health Act, 2019.

Act No. 6 of
2019

(8) The Disciplinary Committee shall, where a determination is made in accordance with the Mental Health Act, 2019, that a practitioner is legally disqualified, suspend the practising certificate of the practitioner.

Act No. 6 of
2019

(9) The Disciplinary Committee shall, where the Disciplinary Committee finds, after due inquiry, that a practitioner is not guilty of professional misconduct, record a finding that the practitioner is not guilty of the conduct to which the charge relates and dismiss the charge.

(10) The Disciplinary Committee may, for the purpose of any proceedings, use assessors or experts as the Disciplinary Committee considers necessary.

43. The Disciplinary Committee shall, where the Disciplinary Committee finds a practitioner guilty of professional misconduct, after due inquiry, impose one or more of the following penalties:

Sanctions for
professional
misconduct
by
Disciplinary
Committee

(a) order the cancellation of the practitioner's certificate;

(b) order the suspension of the certificate for a specified period and on conditions as determined by the Disciplinary Committee;

	(c) bar the practitioner from practising for a period specified by the Disciplinary Committee;	
	(d) censure the practitioner;	
	(e) caution the practitioner;	
	(f) impose an administrative penalty, not exceeding one hundred thousand penalty units, to be paid to the Institute;	5
	(g) order that the practitioner be re-trained or rehabilitated;	
	(h) order the practitioner to pay to the Institute or to a party to the hearing the costs of, or incidental to, the proceedings; or	10
	(i) order the practitioner to pay any party to the hearing or any other person, as restitution, the amount of loss caused by that person's negligence.	
Reports by Disciplinary Committee	44. The Disciplinary Committee shall, within seven days of the completion of a hearing, submit to the Council a report of the proceedings together with a copy of the record.	15
Rules relating to disciplinary proceedings	45. (1) The Chief Justice may, by statutory instrument make rules relating to the—	
	(a) manner and form for lodging of complaints under this Part;	20
	(b) mode of summoning persons before the Disciplinary Committee;	
	(c) manner and form of service of a summons requiring the attendance of a witness before the Disciplinary Committee and the production of a book, record, document or thing;	25
	(d) procedure to be followed and rules of evidence to be observed in proceedings before the Disciplinary Committee; and	
	(e) functions of assessors and experts to the Disciplinary Committee.	30
	(2) Rules made under subsection (1) may provide—	
	(a) that before a matter is referred to the Disciplinary Committee it shall, in a manner that may be provided by the Rules, have been brought before a Professional Conduct Committee, and investigated by the Institute;	35
	(b) for securing notices for the proceedings and specifying the time and manner of the proceedings; and	
	(c) for securing that a party to the proceedings shall, if that person requires, be entitled to be heard by the Disciplinary Committee.	40

PART V

INSPECTORATE

46. (1) The Council shall appoint suitably qualified persons as inspectors to ensure compliance with this Act. Inspectors

5 (2) The Council shall provide an inspector with an identification card which shall be *prima facie* evidence of the inspector's appointment.

(3) An inspector shall, in performing a function under this Act—

10 (a) be in possession of the identification card referred to under subsection (2); and

(b) show the identification card to a person who requests to see the identification card or is the subject of an investigation under this Act.

15 47. (1) An inspector may, for the purpose of enforcing the provisions of this Act, at any reasonable time, without prior notice, and on the authority of a warrant, enter any premises that the inspector has reasonable grounds to believe is used for the commission of an offence or contrary to the provisions of this Act, and—

Power of entry, search and inspection

20 (a) search the premises;

(b) search any person on the premises if the inspector has reasonable grounds to believe that the person has possession of an article, document or record that has a bearing on an inspection or investigation, except that a person shall only be searched by a person of the same sex;

25 (c) take extracts from, or make copies of, any book, document or record that is on the premises and that has a bearing on an inspection or investigation;

30 (d) demand the production of, and inspect, relevant certificates; and

(e) make inquiries that may be necessary to ascertain whether the provisions of this Act or any other written law on which an inspection or investigation is based, have been complied with.

35

(2) A court may issue a warrant on application by an inspector if it appears from written information given by that inspector, on oath or affirmation, that there are reasonable grounds to believe that this Act has been or is likely to be contravened.

(3) An inspector who removes anything from any premises shall— 5

(a) issue a receipt for anything removed to the owner or the person in control of the premises; and

(b) return anything removed as soon as practicable after the thing removed has served the purpose for which it was removed. 10

(4) A person commits an offence if that person—

(a) delays or obstructs an inspector in the performance of the inspector's functions under this Act;

(b) refuses to give an inspector reasonable assistance as the inspector may require for the purpose of performing the inspector's functions; 15

(c) impersonates an inspector or presents oneself to be an inspector; or

(d) wilfully gives an inspector false or misleading information in answer to an inquiry made by the inspector. 20

(5) A person who contravenes subsection (4) commits an offence and is liable, on conviction, to a fine not exceeding three hundred thousand penalty units or to imprisonment for a term not exceeding three years, or to both. 25

(6) An inspector shall furnish the Council with a written report and any other information relating to an inspection.

PART VI

GENERAL PROVISIONS

False or
misleading
statement

48. (1) A person shall not knowingly or recklessly make a false or misleading statement, orally or in writing, to the Institute, Disciplinary Committee or a Professional Conduct Committee with the intention that it be acted on by the Institute, Disciplinary Committee or a Professional Conduct Committee. 30

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both. 35

49. (1) A person aggrieved with a decision of a Professional Conduct Committee may appeal to the Disciplinary Committee within thirty days of receipt of the decision. Appeals

5 (2) A person aggrieved with a decision of the Disciplinary Committee may appeal to the High Court.

(3) A decision of a Professional Conduct Committee or the Disciplinary Committee shall not take effect until the expiration of the time for lodging an appeal against the decision or, if an appeal is lodged, until the time the appeal is disposed of, withdrawn or struck
10 out for want of prosecution.

(4) The proceedings of a Professional Conduct Committee or the Disciplinary Committee shall not be set aside by reason only of some irregularity in those proceedings if that irregularity did not occasion a substantial miscarriage of justice.

15 (5) A person aggrieved with a decision of the Institute may, within thirty days of receipt of the decision, appeal to the Minister.

(6) The Minister shall, within thirty days of receipt of an appeal under subsection (5), hear and determine the appeal.

20 (7) A person aggrieved with a decision of the Minister may appeal to the High Court.

25 50. (1) A person shall not, without the consent in writing given by, or on behalf of, the Institute, publish or disclose to a person, or otherwise than in the course of duties of that person, contents of any document, communication or information whatsoever, which relates to, and which has come to that person's knowledge in the course of duties, of that person under this Act. Prohibition of publication or disclosure of information to unauthorised persons

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction to a fine not exceeding two hundred thousand penalty units, or to imprisonment for a term not
30 exceeding two years, or to both.

(3) A person who, having information which to that person's knowledge has been published or disclosed in contravention of subsection (1), unlawfully publishes or communicates the information to another person, commits an offence and is liable, on
35 conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding two years, or to both.

Offences by principal officers of body corporate or unincorporate body	<p>51. Where an offence under this Act is committed by a body corporate or an unincorporate body, with the knowledge, consent or connivance of the director, manager, shareholder or partner of the body corporate or an unincorporate body, that director, manager, shareholder or partner commits the same offence as the body corporate or unincorporate body and is liable, on conviction, to the penalty specified for that offence under this Act.</p>	5
Administrative penalty	<p>52. (1) The Institute may impose an administrative penalty on a person for failure to comply with a provision of this Act which is not an offence.</p> <p>(2) An administrative penalty shall not exceed the amount prescribed by the Minister, by statutory instrument, for each day during which the failure continues.</p> <p>(3) An administrative penalty shall be paid to the Institute within the period prescribed by the Minister.</p> <p>(4) The Institute may, where a person fails to pay an administrative penalty within the stipulated time under subsection (3), by way of civil action in a competent court, recover the amount of the administrative penalty from that person as an amount due and owing to the Institute.</p>	10 15 20
Immunity	<p>53. An action or other proceeding shall not lie or be instituted against a council member, a member of a committee of the Council, a member of a Professional Conduct Committee or the Disciplinary Committee and a member of staff of the Institute for, or in respect of, an act or thing done or omitted to be done in good faith in the exercise or performance of a power or function conferred under this Act.</p>	25
Guidelines	<p>54. (1) The Institute may, in the exercise of its functions under this Act, issue guidelines as are necessary for the better carrying out of the provisions of this Act.</p> <p>(2) The Institute shall publish the guidelines issued under this Act in a daily newspaper of general circulation in the Republic and in the <i>Gazette</i>, and the guidelines shall take effect on the date of publication.</p> <p>(3) The guidelines issued by the Institute under this Act shall bind the persons regulated under this Act.</p>	30 35
Regulations	<p>55. (1) The Minister may, by statutory instrument and on the recommendation of the Council, make Regulations for the better carrying out of the provisions of this Act.</p>	

(2) Despite the generality of subsection (1), Regulations may make provision for—

- (a) the manner and form of applications under this Act and the fees payable;
- 5 (b) the form of and particulars to be entered on the registers;
- (c) the form of the certificate and the conditions under which the certificate is issued;
- (d) the qualifications for registration of a practitioner;
- (e) the Code of Ethics to which practitioners shall subscribe;
- 10 and
- (f) the continuous professional development for practitioners.

56. The Second Schedule applies to transitional arrangements relating to the Institute.

Savings and
transitional
provisions

FIRST SCHEDULE
(Sections 3(3) and 8(5))

THE ZAMBIA INSTITUTE OF BANKING AND FINANCIAL SERVICES

PART I

ADMINISTRATION OF THE INSTITUTE

5

Seal of
Institute

1. (1) The seal of the Institute shall be a device that may be determined by the Council and shall be kept by the Registrar.

(2) The affixing of the seal shall be authenticated by the President or the Vice-President and the Registrar or any other person the Council may authorise for that purpose.

10

(3) A contract or instrument which, if entered into or executed by a person not being a body corporate, would not be required to be under seal may be entered into or executed without seal on behalf of the Institute by the Registrar or any other person generally or specifically authorised by the Council for that purpose.

15

(4) A document purporting to be under the seal of the Institute or issued on behalf of the institute shall be received in evidence and shall be deemed to be so executed or issued, without further proof, unless the contrary is proved.

Tenure of
office and
vacancy of
council
members

2. (1) A council member shall, subject to the other provisions of this Act, hold office for a term of three years and may be re-nominated or re elected for a further and final term of three years.

20

(2) A council member shall, on the expiration of the term for which the member is elected or nominated, continue to hold office until another member is elected or nominated, but in no case shall the extension of the term exceed three months.

25

(3) The office of council member becomes vacant if the council member—

(a) dies;

(b) is adjudged bankrupt under any written law;

(c) resigns by notice, in writing, to the Institute;

30

(d) is legally disqualified from performing the functions of a council member;

(e) is disqualified from being a council member in accordance with section 8(3);

35

(f) has that member's certificate cancelled under this Act;

- (g) in the case of a council member under section 8(2)(b),(d),
(e) and (f), ceases to be a representative of the office
that nominated the council member;
- (h) is found guilty of professional misconduct;
- 5 (i) is absent, from three consecutive meetings of the Council
of which the council member had notice without the
prior approval of the Council; or
- (j) is convicted of an offence under this act or any other
written law and sentenced to imprisonment for a term
10 of six months without the option of a fine.

3. (1) Subject to the other provisions of this Act, the Council
may regulate its own procedure.

Proceedings
of Council

(2) The Council shall meet at least once in every three months
for the transaction of business at a place and time as the President
15 may determine.

(3) The President may call a meeting of the Council on giving
notice of not less than fourteen days or where one third of the
council members so request, in writing, except that if the urgency
of a particular matter does not permit the giving of notice, a special
20 meeting may be called on giving a shorter notice.

(4) Seven council members shall form a quorum at a meeting
of the Council.

(5) There shall preside at a meeting of the Council—

- (a) the President;
- 25 (b) in the absence of the President, the Vice President; or
- (c) in the absence of both the President and Vice-President,
another Council member that the council members
present shall elect for the purpose of that meeting.

(6) A decision of the Council on any question shall be by a
30 majority of the council members present and voting at the meeting,
and in the event of an equality of votes, the person presiding at the
meeting shall have a casting vote in addition to that person's
deliberative vote.

(7) The Council may invite a person whose presence is in the
35 Council's opinion desirable to attend and participate in the
deliberations of the meeting, but that person shall have no vote.

- (8) The validity of any proceedings, acts or decisions of the Council shall not be affected by a vacancy in the membership of the Council or any defect in the appointment of a council member or by reason that a person not entitled to do so took part in the proceedings. 5
- (9) The Council shall cause minutes to be kept of the proceedings of every meeting of the Council and of any committee established by the Council.
- Committees 4. (1) The Council may, for the purpose of performing its functions under this Act, constitute a committee and delegate any of its functions to the committee as it considers necessary. 10
- (2) The Council may appoint as members of a committee persons who are or are not council members except that at least one council member shall be a member of a committee.
- (3) A member of a committee shall hold office for a term as the Council may determine. 15
- (4) Subject to any specific or general direction of the Council, a committee may regulate its own procedure.
- Disclosure of interest 5. The Council shall pay to a council member, a member of a committee of the Council, a member of a Professional Conduct Committee and a member of the Disciplinary Committee an allowance as the Council may determine. 20
- Allowances 6. (1) A person who is present at a meeting of the Council or a committee of the Council at which any matter is the subject of consideration, and in which matter that person or that person's relative or associate is directly or indirectly interested in a private capacity, shall as soon as is practicable after the commencement of the meeting, disclose the interest and shall not, unless the Council or the committee of the Council otherwise directs, take part in any consideration or discussion of, or vote on, any question relating to that matter. 25 30
- (2) A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made.

PART II

FINANCIAL PROVISIONS

7. (1) The funds of the Institute consists of monies that may— Fund of
Institute
 (a) be proceeds of any investments by the Institute;
5 (b) be paid to the Institute by way of fees, grants or donations;
 and
 (c) otherwise vest in, or accrue to, the Institute.
- (2) The Institute may—
 (a) accept monies by way of grants or donations from any 10
 source in or outside the Republic;
 (b) raise by way of loans or otherwise, monies as it may
 require for the performance of its functions; and
 (c) in accordance with Regulations made under this Act,
 charge and collect fees in respect of programmes and 15
 seminars conducted by the Institute.
- (3) There shall be paid from the funds of the Institute—
 (a) the salaries, allowances and loans of the staff of the
 Institute;
 (b) reasonable travelling, transport and subsistence allowances 20
 for council members or members of a committee of the
 Council when engaged in the business of the Institute at
 the rates approved by the Council; and
 (c) any other expenses incurred by the Institute in the
 performance of its functions under this Act.
- 25 (4) The Institute may, invest in a manner the Council considers
appropriate, funds of the Council that the Council does not
immediately require for the performance of the Council's functions.
8. The financial year of the Institute shall be a period of twelve Financial
year
months ending on 31st December in each year.
- 30 9. (1) The Institute shall cause to be kept proper books of Accounts and
audit
account and other records relating to its accounts.
- (2) The accounts of the Institute shall be audited annually by
independent auditors appointed by the Council.
- (3) The fees of the auditors shall be paid by the Institute.

SECOND SCHEDULE

(Section 56)

SAVINGS AND TRANSITIONAL PROVISIONS

Interpretation Cap.119	1. In this Schedule, “former Institute” means the Zambia Institute of Banking and Financial Services registered under the Societies Act.	5
Registration and appointment under former Institute	2. (1) A practitioner registered with the former Institute shall continue to be registered as if registered under this Act. (2) The registration under sub-paragraph (1) shall be modified in accordance with this Act where necessary. (3) After the commencement of this Act, the Council of the former Institute shall continue to perform the function of the Council of the Institute under this Act until a new Council is nominated or elected in accordance with this Act. (4) A register maintained by the former Institute and subsisting immediately before the commencement of this Act shall, until replaced, be considered to be a register maintained under this Act.	10
Staff of Institute	3. (1) For the avoidance of doubt, a person who, before the commencement of this Act was an officer or employee of the former Institute shall continue to be an officer or employee of the Institute, as if appointed or employed under this Act. (2) The service of persons under sub paragraph (1) shall be treated as continuous service. (3) Nothing in this Act affects the rights and liabilities of a person employed or appointed by the former Institute before the commencement of this Act.	15 20 25
Transfer of assets and liabilities	4. (1) On the commencement of this Act, there shall be transferred to, vest in and subsist against the Institute by virtue of this Act and without further assurance, the assets, rights, liabilities and obligations which immediately before the commencement of this Act were the assets, rights, liabilities and obligations of the former Institute. (2) Subject to sub paragraph (1), every deed, bond or agreement, other than an agreement for personnel service, to which the former Institute was a party immediately before the commencement of this Act, whether or not of a nature that rights, liabilities and obligations could be assigned, shall, unless its subject matter or terms make it impossible that it should have effect as modified, as provided under this paragraph, have effect as if—	30 35

- (a) the Institute had been party to it;
- (b) for any reference to the former Institute there was substituted, with respect to anything falling to be done on or after the commencement of this Act, a reference to the Institute; or
- 5
- (c) for any reference to any officer of the former Institute, not being a party to it and beneficially interested, there were substituted, as respects anything falling to be done on or after the commencement of this Act, a reference to that officer of the Institute, as the Institute shall designate.
- 10

(3) Where under this Act, any assets, rights, liabilities and obligations of the former Institute are deemed to be transferred to the Institute, in respect of which transfer a written law provides for registration, the Institute shall make an application, in writing, to the appropriate registration authority for registration of the transfer.

15

(4) The registration authority, under sub paragraph (3), shall make entries in the appropriate register that shall give effect to the transfer and, where applicable, issue to the transferee concerned a certificate of title in respect of the property or make necessary amendments to the register and shall endorse the deeds relating to the title, right or obligation concerned and no registration fees or other duties shall be payable in respect of the transaction.

20

5. (1) Any legal proceedings or application of the former Institute pending immediately before the commencement of this Act by or against the former Institute may be continued by or against the Institute.

25

Legal
proceedings

(2) After the commencement of this Act, proceedings in respect of any right, liability or obligation which was vested in, held, enjoyed, incurred or suffered by the former Institute may be instituted by or against the Institute.

30

