

# ACT

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*dated 18th October, 2001*

## *THE OTHER FINANCIAL SERVICES ACT, 2001*

### ARRANGEMENT OF SECTIONS

#### *Sections*

*No*

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SIGNED this 30th day of September, 2001.

ALHAJI AHMAD TEJAN KABBAH,  
*President.*

LS

No. 7



Sierra Leone

2001

**The Other Financial Services Act, 2001**

Short title.

**Being an Act to make provision for the licensing, regulation and supervision of institutions carrying on financial activities other than banking and for related matters.**

/

/ Date of commencement.

ENACTED by the President and Members of Parliament in this present Parliament assembled.

## PART I—PRELIMINARY

- Application.           1. This Act shall apply to the whole of the Republic of Sierra Leone and the overseas operations of financial institutions licensed under this Act.
- Interpretation.       2. In this Act, unless the context otherwise requires—
- “acceptance” means confirming or assenting to liability under a bill of exchange or other negotiable instrument;
- “affiliate” means a firm associated with another generally as its subsidiary;
- “Central Bank” means the Bank of Sierra Leone;
- Act No. 10 of 2000.    “close relation” has the meaning assigned to it in the Banking Act, 2000;
- Cap 249.            “company” has the meaning assigned to it in the Companies Act;
- “credit services” includes—
- (a) the giving of any advance, loan or any other facility, such as discounting of bills with or without security and whether in connection with the sale of goods or not whereby the person to whom the same is given has access directly or indirectly to the funds of the person giving the same;
- (b) the giving of a guarantee in relation to the obligations of any person; and
- (c) the giving of an underwriting commitment or indemnity to the effect that upon the happening of an event in relation to a person a certain sum of money would be paid or certain obligations would arise;

Act No. 10 of  
2000.

“deposit” has the meaning assigned to it in the Banking Act, 2000;

Act No. 10 of  
2000.

“deposit-taking” has the meaning assigned to it in the Banking Act, 2000;

“development banking” includes carrying on the business of—

- (a) providing capital, loans and other credit facilities to be utilized for agricultural, industrial, commercial or other economic development purposes, in particular the acquisition of productive assets, such as land, buildings and equipment;
- (b) refinancing development loans provided by other lending institutions; and
- (c) accepting time deposits;

“director” in relation to a licensed financial institution, includes any person by whatever name he may be referred to, carrying out or empowered to carry out substantially the same functions in relation to the direction of a licensed financial institution as those carried out by a director of a company registered under the Companies Act, or a director of a co-operative society registered under the Co-operative Societies Act, 1977;

Cap. 249

Act No. 6 of  
1977.

“discount” means the purchase or sale of a bill of exchange or other negotiable instrument prior to maturity;

“exposure” includes equity, debentures, bonds and credit facilities;