

**CHAPTER 61:07 - REAL ESTATE PROFESSIONALS: SUBSIDIARY LEGISLATION  
INDEX TO SUBSIDIARY LEGISLATION**

Real Estate Professionals Regulations

**REAL ESTATE PROFESSIONALS REGULATIONS**

*(section 38)*

*(11th September, 2009)*

ARRANGEMENT OF REGULATIONS

REGULATION

PART I

*Application for Registration*

1. Citation
2. Interpretation
3. Application for registration
4. Registration of applicant
5. Certificate of registration
6. Fees payable on issue of certificate
7. Renewal of certificate
8. Display of certificate

PART II

*Clients' Account*

9. Clients' account
10. Payment into clients' account
11. Maintenance of clients' account
12. Drawing from clients' account
13. Books of account
14. Amount in clients' account
15. Appointment of curator bonis

PART III

*Code of Conduct*

16. Code of conduct
17. Joint liability of registered professional
18. Advertisement and publicity
19. Advertisement to promote business
20. Publications in journals, etc.

PART IV

*Fidelity Fund*

21. Establishment of Fund
22. Fund to vest in Board of Trustees
23. Fidelity Fund certificate
24. Contribution to Fund
25. Investment of Fund
26. Accounts to be kept
27. Professional indemnity
28. Moneys to the credit of Fund
29. Application of Fund
30. Payment of compensation for loss due to dishonesty
31. Provisions of the Board

PART V

*General Provision*

32. Fees payable under Regulations

First Schedule - Establishment and Membership of Board  
Second Schedule - Application for Registration  
Third Schedule - Certificate of Registration  
Fourth Schedule - Fee for Certificate of Registration  
Fifth Schedule - Application for renewal of Certificate of Registration  
Sixth Schedule - Scale of Fees  
Seventh Schedule - Fidelity Fund Certificate

S.I. 77, 2009.

**PART I**

***Application for Registration (regs 1-8)***

**1. Citation**

These Regulations may be cited as the Real Estate Professionals Regulations.

**2. Interpretation**

In these Regulations, unless the context otherwise requires-

**"clients' account"** means an account held under regulation 9;

**"Fund"** means the Fidelity Fund established under regulation 21;

**"member"** means a member of the Board of Trustees, appointed under regulation 1 of the First Schedule; and

**"professional"** means an estate agent, property auctioneer, property manager or property valuer.

**3. Application for registration**

(1) A person who is resident in Botswana and desirous of being a registered professional shall make an application to the Council, in a form set out in the Second Schedule.

(2) An application made in accordance with subregulation (1) shall be accompanied by an application fee of P250.

(3) A person who is non-resident in Botswana and is desirous of being a registered professional in Botswana shall make an application to the Council, in a form set out in the Second Schedule.

(4) An application made in accordance with subregulation (3) shall be accompanied by an application fee of P500.

(5) A fee payable under this regulation shall be non-refundable.

**4. Registration of applicant**

(1) The Council shall, where it is satisfied that the applicant meets the requirements of section 20, register the applicant in the register.

(2) Where the Council is not satisfied that the applicant meets the requirements of section 20, it shall reject the application and notify the applicant, in writing, stating the reasons for the rejection.

(3) The register for registered professionals shall be open for inspection by any member of the public upon payment of a fee of P50.

**5. Certificate of registration**

(1) The Registrar shall issue a registered professional with a certificate of registration upon the registration or restoration of the name of the professional in the register.

(2) The certificate of registration shall be in the form set out in the Third Schedule.

(3) A certificate of registration issued in accordance with subregulation (1) shall expire at the end of a period of 12 months from the date of issue.

**6. Fees payable on issue of certificate**

(1) A registered professional shall pay to the Registrar in respect of each certificate of registration, before the certificate is issued, a fee prescribed in the Fourth Schedule in relation to

each field of practise.

(2) Notwithstanding the provisions of subregulation (1), a registered professional shall, for a certificate of registration issued in relation to two or more fields of practise, pay a fee prescribed in the Fourth Schedule.

#### **7. Renewal of certificate**

(1) A registered professional may make an application to the Council for the renewal of a certificate that has not been revoked.

(2) An application under subregulation (1) shall be made in a form set out in the Fifth Schedule and shall be accompanied by a fee as set out in the Fourth Schedule.

(3) Where the Council renews the certificate of registration of the professional, the Registrar shall issue the professional with a new certificate of registration as provided for under regulation 5 (2).

(4) Where an application for renewal is made within 60 days after the expiry of the certificate of registration, the registered professional shall pay a penalty fee of P50 for every day or part of the day that he is in default.

(5) The penalty fee payable under subregulation (4) shall be paid in addition to the fee payable under subregulation (2).

(6) An application for renewal made after the expiry of 60 days shall be treated as a new application and payment of fees under regulations 3 and 6 shall be in addition to the payment of a penalty fee under subregulation (4).

#### **8. Display of certificate**

(1) A registered professional shall exhibit, and keep exhibited, in a prominent place on the business premises, the certificate of registration.

(2) A registered professional who contravenes subregulation (1) commits an offence and is liable to a fine not exceeding P500.

### **PART II**

#### ***Clients Account (regs 9-15)***

#### **9. Clients' account**

(1) A registered professional who holds or receives clients' moneys shall keep a clients' account or as many clients accounts as he may think fit.

(2) An account referred to in subregulation (1) shall be opened with a bank licensed under the Banking Act.

(3) A registered professional may invest in a separate savings or other interest bearing account opened by him with any bank licensed under the Banking Act or a building society registered under the Building Societies Act any money deposited in the clients' account opened under subregulation (1), which is not immediately required for any particular purpose.

(4) The interest, if any, on money deposited in terms of subregulation (1) and the interest on money invested in terms of subregulation (3) shall, after deduction of actual costs incurred in the performance of any duty imposed upon the registered professional under this regulation, be paid over to the Fund by the registered professional concerned at the prescribed time and in the manner prescribed.

#### **10. Payment into clients' account**

(1) A registered professional who receives or holds clients' moneys shall pay such money into a clients' account opened in accordance with regulation 9.

(2) No money other than moneys which a registered professional is required to pay into the clients' account shall be paid into such account.

(3) A registered professional shall not pay into a clients' account, moneys held or received-

(a) by the registered professional for or towards payment of a debt due to the registered professional; or

(b) as reimbursement of money expended by the registered professional on behalf of a

client.

#### **11. Maintenance of clients' account**

There shall be paid into a clients' account-

- (a) such moneys belonging to a registered professional as may be the minimum required by the bank for the purpose of opening or maintaining the account; or
- (b) moneys to replace any sum which for any reason may have been drawn from the account in contravention of these Regulations.

#### **12. Drawing from clients' account**

(1) A registered professional shall draw from clients' account moneys-

- (a) required for payment to or on behalf of a client;
- (b) required for reimbursement of moneys expended by a registered professional on behalf of a client;
- (c) required for payment of a registered professional fees and disbursement;
- (d) which is transferred into another clients' account; or
- (e) as may have been paid into the account under regulation 11(a).

(2) A registered professional shall draw money from clients' account by-

- (a) a cheque drawn in favour of the registered professional; or
- (b) a transfer into an account in the name of the registered professional.

(3) No money may be drawn from a clients' account otherwise than under the signature

of-

- (a) the registered professional;
- (b) a partner or director of the business of the registered professional; or
- (c) an accountant employed by the registered professional.

(4) Notwithstanding anything contained in these Regulations, the Council may on application by a registered professional or of its own motion, authorise the withdrawal of money from a clients' account.

#### **13. Books of account**

(1) A registered professional shall keep proper books of account of clients' moneys received, held or paid by him and any other money dealt with by him through a clients' account.

(2) A registered professional shall, at the end of every three months, furnish the Council with a certified copy of the bank statement of the clients' account.

(3) A registered professional shall cause accounts of the clients' account to be audited by a chartered Accountant who is a member of the Institute of Accountants established by the Accountants Act and not being a member of the Board.

(4) The Council or a person nominated by it may inspect the accounting records of the clients' account in order to satisfy itself that the provisions of this Part are being complied with.

(5) Where upon an inspection in accordance with subregulation (4) it is found that the records of the clients' account have not been properly kept, the Council shall cause the records of the account of the registered professional to be written up and recover the costs of the inspection or such writing up, from the registered professional.

#### **14. Amount in clients' account**

(1) An amount standing to the credit of a clients' account in the bank shall not form part of the assets of the registered professional and no such amount and the interest accruing thereon shall be liable to attachment at the instance of a creditor of the registered professional:

Provided that any excess amount remaining in the clients' account after payment of the claims of all persons whose moneys have been deposited in the clients' account shall be deemed to form part of the assets of the registered professional.

#### **15. Appointment of curator bonis**

(1) The Council may apply to Court for an appointment of a *curator bonis* to control and administer the clients' account or any other account opened or operated by the registered professional, if there is reason to believe that clients' moneys have been improperly deposited in

any other account.

(2) The Council or the person having an interest in the clients' account may make an application to Court for an appointment of a curator bonis to control and administer the clients' account where the registered professional-

- (a) is dead;
- (b) is insolvent;
- (c) is suspended or removed from the Register;
- (d) is declared by a court of competent jurisdiction to be incapable of managing his own affairs; or
- (e) has abandoned his business.

### **PART III**

#### ***Code of Conduct (regs 16-20)***

#### **16. Code of conduct**

(1) A registered professional shall-

- (a) act in a fiduciary manner towards his client in all professional matters;
- (b) hold as confidential the results and other findings of his work and any report, until released from his obligation by his client or until the transaction or proceedings for which the work or report was made has been completed or has lapsed;
- (c) protect the public against fraud, misrepresentation and unethical practises in real estate transactions;
- (d) inform his client in writing of the nature of any business connections, interests or other affiliations he may have in connection with the service to the client;
- (e) not undertake to provide professional service concerning property or its value where he has an interest unless such interest is disclosed, in writing, to all affected parties;
- (f) not acquire an interest in or buy for himself, family or business or an entity in which he has an ownership interest, property listed with his business, without making true his position, in writing, known to the listing owner;
- (g) not sell property owned by himself, or in which he has any interest, unless he discloses, in writing, the facts of ownership or interest to the purchaser;
- (h) not accept a fee more than that prescribed in the scale of fees set out in the Sixth Schedule;
- (i) not accept fees from more than one client in any one transaction;
- (j) not accept from a third party commission, rebate or profit made on expenditure incurred on behalf of his client without the clients' knowledge and consent in writing;
- (k) not pay a fee or commission or provide a gift or favour to a third party in recognition of the introduction of a client;
- (l) not allow participation in real estate transactions by any other person not being a registered professional;
- (m) not act for one party to a transaction while another registered professional from the same business is acting for the other party on the same transaction except with the knowledge and consent, in writing, of the parties concerned;
- (n) not solicit the services of affiliations of an employee in the business of another registered professional without prior notice to the said registered professional;
- (o) not offer, express or communicate to the public, any criticism or comment on the professional service, or conduct of, professional fees charged by other registered professionals;
- (p) not knowingly prepare or certify any statement which is false, incorrect or misleading or open to misconception by reason of the misstatement, omission or suppression of a material fact; or
- (q) carefully guard against the use of his name or his business association with any enterprise or activity of a questionable character.

(2) A registered professional who contravenes a provision of subregulation (1) commits an offence and is liable to a fine not exceeding P2000, or to imprisonment for a term not exceeding two years, or to both.

#### **17. Joint liability of registered professional**

(1) A registered professional who is a partner in a partnership, a director of a company or a sole principal of a business shall be held equally responsible for any contraventions of the provisions of this Part committed by the other partner, director or employee of such business, partnership or company.

(2) Subregulation (1) shall not apply where such partner, director or sole principal, shows that he had, prior to such contravention, taken all steps as may be reasonable to ensure that such contravention is not committed.

#### **18. Advertisement and publicity**

(1) A registered professional shall not advertise his professional service in a laudatory manner.

(2) A registered professional who contravenes subregulation (1) commits an offence and is liable to a fine not exceeding P2000 or to imprisonment for a term not exceeding two years, or to both.

#### **19. Advertisement to promote business**

(1) Notwithstanding the provisions of regulation 18, a registered professional may-

- (a) publish an advertisement for the purpose of announcing his name;
- (b) publish a range of services undertaken by the registered professional, his partners or business;
- (c) publish a list of projects that the business has been engaged in;
- (d) publish a list of clients to whom reference may be made by a prospective client:  
Provided that such clients shall have given prior written permission for the use of their names;
- (e) arrange for a listing in a telephone, business or trade directory;
- (f) advertise for staff in any publication;
- (g) publish in the press or circulate notices notifying the public of his change of address, new telephone number or that a new partner has joined the business or retired;
- (h) produce and make available to clients, a brochure or other material describing his business and the services the business offers;
- (i) produce business cards which contain the registered professional's name, or those of his directors or partners' qualifications, name of business, business logo, nature of practice, business address, telephone and telex number;
- (j) print his name, address or logo on envelopes, labels or other covers used in the business to send mail or parcels by post;
- (k) print his name and designation and those of his directors or partners, the address, telephone and telex numbers or logo on the letterhead of the business; or
- (l) use a signboard at his place of business displaying the logo, his name and those of his directors or partners and designations, address, telephone and telex number.

(2) An advertisement made in accordance with subregulation (1) shall not contain-

- (a) inaccurate or misleading statement of fact;
- (b) explicit solicitation of instructions; or
- (c) explicit comparison between the service offered by the registered professional with that of another registered professional.

(3) A registered professional who contravenes a provision of subregulations (1) and (2) commits an offence and is liable to a fine not exceeding P2000, or to imprisonment for a term not exceeding two years, or to both.

#### **20. Publications in journals, etc.**

Notwithstanding the provisions of regulation 19, a registered professional may disclose



his name, professional designation, the name and address of his business or employer and the position which he holds, in the course of discussions of matters related to the profession in-

- (a) articles, letters or other contributions made to professional or non- professional journals or in textbooks;
- (b) interviews granted to the press or any other body of the mass media;
- (c) appearances made on radio, film, video or television, whether as an individual or as a member of a group; or
- (d) public speaking either at a course, seminar, or confidence speaking.

#### **PART IV**

#### ***Fidelity Fund (regs 21-31)***

#### **21. Establishment of Fund**

(1) There is hereby established a fund to be known as the Fidelity Fund.

(2) Every registered professional shall be a member of the Fund and shall not practise or act as a professional on his own account or in partnership unless he is in possession of a fidelity fund certificate.

(3) A registered professional who practises or acts in contravention of subregulation (2) commits professional misconduct and shall not be entitled to any fee, reward or disbursement in respect of anything done by him while so acting or practicing.

(4) Subject to the provisions of the Act and these regulations, the Fund shall be applied for the purpose of mitigating any pecuniary loss or hardship sustained by any person in consequence of dishonesty by a registered professional or by an employee of the registered professional in the course of duty.

#### **22. Fund to vest in Board of Trustees**

The Fund shall vest in and be administered by the Board of Trustees (hereinafter referred to as "the Board") who shall hold the Fund for the purpose set out in regulation 21 (4).

#### **23. Fidelity Fund certificate**

(1) A registered professional shall, prior to being issued with a certificate of registration under regulation 5, apply to the Registrar for a fidelity fund certificate.

(2) The Registrar shall issue a fidelity fund certificate in the form set out in the Seventh Schedule to a registered professional who has not been suspended or whose name has not been removed from the register.

#### **24. Contribution to Fund**

A fee of P200 shall be paid by the registered professional every year for a fidelity fund certificate if such professional remains in the register.

#### **25. Investment of Fund**

The Board may invest any moneys which form part of the Fund and are not immediately required for any other purpose in-

- (a) any interest bearing account with a bank licensed under the Banking Act;
- (b) a building society registered under the Building Societies Act; or
- (c) any government securities.

#### **26. Accounts to be kept**

(1) The Board shall cause proper accounts of the Fund to be kept and audited by an accountant appointed by the Board, who is a member of the Botswana Institute of Accountants established by the Accountants Act and not being a member of the Board.

(2) An accountant appointed under subregulation (1) shall, within three months of the end of the year, present to the Board the audited accounts as at 31st December of the previous year.

#### **27. Professional indemnity**

(1) The Board may enter into a contract with any person carrying on fidelity insurance business in Botswana whereby the Fund will be indemnified to the extent and in the manner provided in such contract against liability to pay claims under this Part.

(2) A contract referred to under subregulation (1) shall be entered into in respect of registered professionals and money paid by an insurer in accordance with the contract shall be paid into the Fund for appropriation by the Board.

#### **28. Moneys to the credit of Fund**

There shall be carried to the credit of the Fund-

- (a) moneys paid under regulations 9 (4) and 24;
- (b) interest, dividends and other income and accretions of capital arising from the investment of the Fund;
- (c) the proceeds of any realisation of an investment to the Fund;
- (d) moneys paid out under regulation 27 (2);
- (e) sums received by the Board as a result of subrogation under regulation 40 (2); and
- (f) any other moneys which may belong or accrue to the Fund or be received by the Board on behalf of the Fund.

#### **29. Application of Fund**

Moneys forming part of the Fund and all investment of the Fund shall be applied to the payment of-

- (a) any costs, charges and expenses of establishing, maintaining, administering and operating the Fund;
- (b) premiums on assurances effected by the Board under regulation 27;
- (c) grant which the Board may make under regulation 30;
- (d) and other sums properly payable out of the Fund under this Part.

#### **30. Payment of compensation for loss due to dishonesty**

(1) Where it is proved to the satisfaction of the Board that any person has sustained loss or hardship as a result of dishonesty by a professional or by his employee, the Board may make a grant to that person out of the Fund for the purpose of relieving or mitigating that loss or hardship.

(2) On the making by the Board of any grant under these regulation-

- (a) the Board shall, to the amount of that grant, be subrogated to any rights and remedies in respect of that loss of the person to whom the grant is made; and
- (b) the person to whom the grant is made shall have no right under insolvency or other legal proceedings to receive any sum out of the assets of the registered professional or his employee in respect of the loss until the Board has been reimbursed the full amount of the grant.

(3) For the purposes of subregulation (2), reference to a person to whom the grant is made includes the person's personal representative or any other person having authority to administer the person's estate in the event of such person's death, insolvency or disability.

#### **31. Provisions of the Board**

The provisions of the First Schedule shall have effect with respect to the Board.

### **PART V**

#### **General Provision (reg 32)**

#### **32. Fees payable under Regulations**

All fees payable under these Regulations shall be paid to the Council through the Registrar.

### **FIRST SCHEDULE**

#### **ESTABLISHMENT AND MEMBERSHIP OF BOARD**

(reg 31)

#### **1. Appointment of Board**

- (1) The Board shall consist of three members appointed by the Council, namely-
  - (a) two registered professionals with at least 10 years standing as real estate professionals; and
  - (b) an accountant practicing in Botswana who is a member of the Botswana Institute of Accountants established under the Accountants Act.



(2) The Council may, in respect of each member appointed under subregulation (1) (a), appoint an alternate member with the same qualifications.

(3) The members shall hold office for a period of three years from the date of appointment.

(4) The Registrar shall be Secretary of the Board.

## **2. Disqualification, removal and resignation**

(1) A person shall not be appointed as a member or be qualified to continue to hold office as a member who-

(a) has, in terms of a law in force in any country-

- (i) been adjudged or otherwise declared bankrupt or insolvent and has not been discharged,
- (ii) made an assignment, arrangement or composition with his creditors, which has not been rescinded or set aside;

(b) has, within a period of 10 years immediately preceding the date of his proposed appointment, been convicted-

- (i) in Botswana, of a criminal offence,
- (ii) outside Botswana, of an offence which if committed in Botswana, would have been a criminal offence,

and sentenced by a court of competent jurisdiction to imprisonment for six months or more without the option of a fine, whether that sentence has been suspended or not, and for which he has not received a free pardon;

(c) is of unsound mind;

(d) is a member of Parliament; or

(e) being a holder of a professional qualification, he has been suspended or barred from practicing the profession within or outside Botswana.

(2) The Council may, by notice in writing, remove a member from office where the member-

(a) is absent without reasonable cause from three consecutive meetings of the Board of which he has had notice;

(b) is inefficient;

(c) has been found to be physically or mentally incapable of performing his duties efficiently, and his medical doctor has issued a certificate to that effect;

(d) contravenes any provision of the Act or otherwise misconducts himself to the detriment of the objectives of the Council; or

(e) has failed to comply with the provisions of regulations 8 and 9.

(3) A member may resign from office by giving 30 days notice in writing to the Council.

(4) The office of a member shall become vacant after-

(a) a period of 30 days from the date a ruling against the member is made on all appeals made in respect of a conviction against him under subregulation (1) (b);

(b) a period of 30 days has elapsed from the date the member gives notice in writing to the Council under subregulation (3), of his intention to resign;

(c) a period of 30 days has elapsed from the date the member is given notice in writing by the Council under subregulation (2), to vacate office; or

(d) the member is summarily dismissed by the Council on the grounds of contravening a provision of the Act or for misconduct under subregulation 2 (d).

(5) For the purpose of subregulation (2) (d), "misconduct" includes any act done without reasonable excuse by a member which-

(a) amounts to failure to perform, in a proper manner, any duty imposed on him as a member;

(b) is prejudicial to the efficient carrying out of the functions of the Board; or

(c) tends to bring the Board into disrepute.

## **3. Filling of vacancies**

(1) Where the office of a member becomes vacant before expiry of the member's term of office, the Council shall appoint another person to be a member in place of the member who vacates office, until the expiry of a period during which such member would have otherwise continued in office.

(2) Subregulation (1) shall not apply where the remainder of the period for which the member whose office has been vacated would otherwise have held is less than six months.

## **4. Election of Chairman and Vice Chairman**

(1) At the first meeting of the Board, the members shall elect, from among their numbers, a Chairman and a Vice Chairman.

(2) The Vice Chairman shall, whenever the Chairman is absent or unable to carry out his functions, exercise the functions of the Chairman.

(3) The Chairman shall hold office for such period, being not less than 12 months, as the Board may from time to time determine unless he vacates office or ceases to be a member.

(4) The provisions of subparagraph (3) shall apply with necessary modifications to the office of Vice Chairman.

(5) The Chairman or Vice Chairman may vacate office even though he may remain a member.

## **5. Proceedings and meetings of Board**

(1) Subject to the provisions of these regulations, the Board shall regulate its own proceedings.

(2) The Board shall hold its first meeting on such date and at such place as the Council may determine and thereafter the Board shall meet at least three times in a year for the transaction of business.

(3) Upon giving notice in writing of not less than 14 days, a meeting of the Board may be called by the Chairman and shall be called if not less than two of the members so request in writing.

(4) Where the urgency of any particular matter does not permit the giving of notice in accordance with subregulation (3), a special meeting may be called upon giving a shorter notice.

(5) The quorum at any meeting of the Board shall be two members.

(6) There shall preside, at any meeting of the Board-

(a) the Chairman; or

(b) in the absence of the Chairman, the Vice Chairman.

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

(8) The Board may invite any person whose presence it considers necessary, to attend and participate in the deliberations of a meeting of the Board, but such person shall not vote.

## **6. Validity of decisions and acts of Board**

A decision or action of the Board done under the authority of the Board shall not be invalid by reason only of the fact that-

(a) there is a vacancy among the membership or any defect in the appointment of a member;

(b) the various members did not have the qualifications prescribed under regulation 1 (1); or

(c) a disqualified person acted as a member.

## **7. Reports to Council**

(1) The Chairman shall from time to time submit, to the Council, reports with regard to matters relating to the activities of the Board which, in the opinion of the Board, should be brought to the notice of the Minister.

(2) The Board shall, when so requested by the Council, furnish the Council with advice on matters in connection with the operation of the Board or cognate matters and shall further communicate, to the Council, information it has acquired in the course of its duties.

## **8. Disclosure of interest**

(1) Where a member is present at a meeting of the Board at which meeting a matter which is the subject of consideration is one in which he is directly or indirectly interested in a private capacity, the member shall, as soon as practicable after the commencement of the meeting, disclose such interest and shall not, unless the Board otherwise directs, take part in any consideration or discussion of, or vote on any question touching upon such matter.

(2) A disclosure of interest made in accordance with subparagraph (1) shall be recorded in the minutes of the meeting at which it is made.

(3) Where a member fails to disclose his interest in accordance with subparagraph (1) and a decision of the Board is made benefiting such member, such decision shall be void.

(4) A member who contravenes subparagraph (1) commits an offence and is liable to a fine not exceeding P2000 or to imprisonment for a term not exceeding six months or to both.

## **9. Confidentiality**

(1) Every member and any person assisting the Board shall observe and preserve the confidentiality of all matters coming before the Board, and such confidentiality shall subsist even after the termination of his term of office or his mandate.

(2) Any person who contravenes subparagraph (1) commits an offence and is liable to a fine not exceeding P2000 or to imprisonment for a term not exceeding six months, or to both.

## 10. Remuneration and allowance

A member shall be paid such remuneration and allowance as the Council may from time to time determine.

### SECOND SCHEDULE APPLICATION FOR REGISTRATION (reg 3 (1) and (3))

#### PERSONAL DETAILS

Title: .....
First name(s): .....
Surname: .....
Date of birth: .....
Identification No: .....
Passport No. ....
Resident Permit No: .....
Nationality: .....
Postal address: .....
Residential Physical address: .....
Telephone No: ..... Fax No: .....
Cellphone No: ..... E-mail address: .....

(Certified copies of personal ID, passport and resident permit must be attached)

ACADEMIC DETAILS (Certified copies of qualifications must be attached)

	Qualifications	College/University	Year
1.			
2.			
3.			
4.			

PROFESSIONAL MEMBERSHIPS (Including Real Estate Institute of Botswana Membership)

Membership	Registration No.	Date Issued

PRACTICAL EXPERIENCE

Present Employment	Position	Date of Appointment

NATURE OF WORK UNDERTAKEN

--

PREVIOUS EMPLOYMENT

--

PI COVER NUMBER:	
FIDELITY COVER NUMBER:	

CATEGORY (IES) APPLIED FOR

Valuer	
Property Manager	
Estate Agent	
Property Auctioneer.	

DECLARATION:

I, the above-named person, solemnly declare that the above particulars are a true and correct record in all respects.

Signed:

At:

Date:

FOR OFFICIAL USE ONLY

Date Received:	Attachments:	Yes	No
	Payment		
	Academic Certificates		
	Copy of Identity		
	REIB Certificate		
	Other Membership Certificates		
	PI Cover		
	Fidelity Cover		

Approved for Registration As:

Valuer	
Property Manager	
Estate Agent	
Property Auctioneer	

Approved on: .....

Registration No: .....

Signature: .....

Date: .....

Chairman

**THIRD SCHEDULE  
CERTIFICATE OF REGISTRATION**

*(reg 5 (2))*

<p>The Real Estate Advisory Council Certificate of Registration This is to certify that:</p> <p>.....</p> <p>has been admitted to practise by the</p>
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Real Estate Council  
Field of Practise:  
.....  
Registration No.:  
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Date Issued:  
.....  
Expiry Date

.....  
Registrar

COMMON SEAL  
.....  
Chairman  
(Issued in terms of the Real Estate Professionals Act (Cap. 61:07).

**FOURTH SCHEDULE  
FEE FOR CERTIFICATE OF REGISTRATION**

(reg 6 (1); 6 (2) and 7 (2))

Field of Practice	Fee for Certificate of Registration
A. Estate agent	P350
B. Property auctioneer	P350
C. Property manager	P350
D. Property valuer	P350
E. Two or more fields of practise	P500.

**FIFTH SCHEDULE  
APPLICATION FOR RENEWAL OF CERTIFICATE OF REGISTRATION**

(reg 7 (2))

The Real Estate Advisory Council  
Application For Renewal of Certificate of Registration

Name: .....  
Other Names: .....  
Postal Address: .....  
Telephone Number: .....  
Registration No.: .....

To:  
The Registrar  
The Real Estate Advisory Council  
Botswana

I, ....., hereby apply for the renewal of my authority to practise Valuation/Property Management/Estate Agency/Auctioneering which expires/ expired on ..... day of ..... and I attach herewith the prescribed fee of P .....

Date: .....

*Signature of Applicant*  
For Office Use Only

Date received .....  
Receipt No. ....  
Signature of Registrar .....

(Issued in terms of the Real Estate Professionals Act (Cap.61:07)).

## SIXTH SCHEDULE SCALE OF FEES

(reg. 16 (1) (h))

### 1.0 PROFESSIONAL FEES FOR OPEN MARKET VALUATIONS IN RESPECT OF RESIDENTIAL, COMMERCIAL, INDUSTRIAL AND AGRICULTURAL PROPERTIES

#### 1.1 Residential, Commercial and Industrial Properties

Market Value of Property	Basic Tariff	Additional to Basic Tariff
Up to P50 000	P750	
From P50 001 to P150 000	P750	P3.50 per P1 000 over P50 000
From P150 001 to P400 000	P1 100	P2.50 per P1 000 over P150 000
From P400 001 to P1 000 000	P1 725	P2.00 per P1 000 over P400 000
From P1 000 001 to P2 000 000	P2 925	P1.50 per P1 000 over P1 000 000
From P2 000 001 to P3 000 000	P4 425	P1.00 per P1 000 over P2 000 000
From P3 000 001 to P4 000 000	P5 425	P0.75 per P1 000 over P3 000 000
From P4 000 001 to P5 000 000	P6 175	P0.50 per P1 000 over P4 000 000
Over P5 000 000	P6 625	P0.25 per P1 000 over P5 000 000

#### 1.2 Agricultural Properties (for farms bigger than 50 Hectares - minimum fee of P1000)

Value of Property	Basic Tariff	Additional to Basic Tariff
Up to P50 000	P1 000	
From P50 001 to P100 000	P1 000	P5.00 per P1 000 over P50 000
From P100 001 to P250 000	P1 250	P3.50 per P1 000 over P100 000
Over P250 000	P1 775	P2.50 per P1 000 over P400 000

#### 1.3 WHERE MORE THAN ONE VALUATION IS REQUIRED

1.3.1 The fee in respect of more than one valuation for the same property shall be, with respect to the second valuation, 5 per cent of the fee for the first valuation:

Provided that a normal valuation shall indicate the forced sale value in addition to open market value and this does not constitute more than one valuation.

#### 1.4 WHERE PRESCRIBED FORMS ARE REQUIRED

Completion of specific forms in addition to the valuation, the applicable fee may be increased by 25 per cent, subject to a maximum increase of P250 per property.

#### 1.5 CONTINUOUS AND SEPARATE VALUATIONS

Continuous and separate valuations fee is based upon the total of the continuous valuation at the relevant tariff fee.

"Continuous valuation" means the valuation of two or more properties having similar attributes.

#### 1.6 REVALUATIONS

Revaluation of property by the same registered professional within the preceding period of 12 months, and the property or the interest therein has not changed materially since the first valuation, the fee shall be reduced by 50 per cent of the first valuation.

#### 1.7 VALUATIONS FOR EXISTING AND PROPOSED IMPROVEMENTS

When instructed to prepare two valuations, such as "as is", of a single property, a registered professional may charge for each of the valuations separately in terms of paragraph 1.0, provided that where the work involved in preparing the second valuation does not amount to performance of a completely separate valuation, the registered professional should charge in terms of paragraph 1.0 on the higher of the two valuations only.

#### 1.8 VALUATION OF PART OF A PROPERTY

Where a registered professional is required to value a portion of, or an undivided share in a property and it is necessary to value the whole property in order to determine the value of the part, or the share, the fee may be based on the value of the whole property.

#### 2.0 TIME CHARGE



2.1 Time charge per hour for market research, Deeds Registry searches or other investigations are as follows:

Membership of Institute	Years of Experience	Fee per hour
Fellow	15 years or more	P750
Fellow	14 years or less	P600
Full	10 years or more	P500
Full	nine years or less	P350
Probationer	three years or less	P150
Probationer	three years or more	P200

### 3.0 RENTAL VALUATIONS

Gross Annual Rental (GAR)	Tariff
Up to P12 000	P100 per P1 000 of GAR
P12 001 to P24 000	P500 plus P10 per P1 000 of GAR over P12 000
P24 001 to P36 000	P750 plus P7.50 per P1 000 of GAR over P24 000
P36 001 to P48 000	P1 000 plus P5.00 per P1 000 of GAR over P36 000
P48 001 to P60 000	P1 250 plus P2.50 per P1 000 of GAR over P48 000
Over P60 000	P1 500 plus P1.25 per P1 000 of GAR over P60 000

#### Notes

- The tariff excludes preparation of a lease agreement (if required) for a fee not exceeding 10 per cent of the monthly rent to be paid by the lessee.
- The fee per rental determination should not be less than P500.

### 4.0 RATING VALUATIONS

- 4.1 The minimum Fee shall not be less than 0.10 per cent of the Total Gross Rateable Value in the Valuation Roll prepared by the registered professional.
- 4.2 In the case of individual valuations for rating purpose, the minimum fee shall be 0.30 per cent of the rateable value of such property.
- 4.2 The registered professional may allow a discount for any revaluation carried out within a two-year period.

### 5.0 OTHER VALUATIONS

Other valuations includes fees in respect of the following:

- Portfolio Valuation - minimum fee of not less than 0.15 per cent of the value of the property
- Tendered Valuation - minimum fee of not less than 0.15 per cent of the value of the property
- Insurance Valuation (as per Table below)

Value of Property	Basic Tariff	Additio nal to Basic Tariff
Up to P50 000	P500	
From P50 001 to P150 000	P500	P1.75 per P1 000 over P50 000

From P150 001 to P400 000	P750	P 1.50 per P1 000 over P150 000
From P400 001 to P1 000 000	P1 000	P1.25 per P1 000 over P400 000
From P1 000 001 to P2 000 000	P1.250	P1.00 per P1 000 over P1 000 000
From P2 000 001 to P3 000 000	P1.500	P0.75 per P1 000 over P2 000 000
From P3 000 001 to P4 000 000	P1.750	P0.50 per P1 000 over P3 000 000
From P4 000 001 to P5 000 000	P2 000	P0.25 per P1 000 over P4 000 000
Over P5 000 000	P2.250	P0.10 per P1 000 over P5 000 000

6.0 BROKERAGE, AGENCY, MANAGEMENT AND AUCTIONEERING FEES

6.1 Sale of Land and buildings

- (i) Sole Agency: Minimum fee P3 000  
Up to P1 000 000 - 5 per cent of the sale value  
Over P1 000 000 - 4 per cent of the remainder
- (ii) Multiple Agency - Minimum Fee P3 000  
Up to P1 000 000 - 7.5 per cent of the sale value  
Over P1 000 000 - 5 per cent of the remainder

6.2 Joint Agency - Fees to be split on 60 per cent/40 per cent basis

6.3 Mergers, Purchases and Acquisitions - Fees chargeable at 5 per cent of the purchase price

6.4 Lettings - a fee of 8.33 per cent of the annual rent which is the equivalent of one month's rent

- for all classes of property for leases less than three years and 12.5 per cent of the annual rent for leases over three years.
- 6.5 Lease Renewals - 50 per cent of letting fees.
- 6.6 Management - Registered professionals may charge-
- (i) residential 10 per cent of Gross monthly rental
  - (ii) Commercial 5 per cent of Gross monthly rental
  - (iii) Industrial 5 per cent of Gross monthly rental
- (b) Lettings for managed properties - 2 3 of basic letting fee
- (c) Lease renewals - 1 3 of basic letting fee or 5 per cent of the monthly rent whichever is the lesser.
- 6.7 Project Management  
A fee of 4 per cent of the development cost may be levied.
- 6.8 Auctioneering - Registered professionals may charge as follows:-
- (i) Chattels at 15 per cent of sale price, and
  - (ii) Immovable Property at 7.5 per cent of sale price.
- 7.0 OTHER CHARGES
- 7.1 Registered professionals may charge as follows:
- (i) Feasibility Studies or Search for Funding - 1 per cent of the funds secured
  - (ii) Building inspections - P350 per site visit including the inspection report
- 8.0 FEES FOR ATTENDING COURT, ARBITRATION OR OTHER PROCEEDINGS, ENQUIRIES OR MEETINGS TO GIVE EVIDENCE OR FOR CONSULTATIONS AND WHEN APPOINTED AS A MEMBER OF ANY SUCH COURT OR PROCEEDINGS.
- 8.1 The time charge schedule set out in paragraph 2.1 shall apply for fees under this paragraph
- 8.2 In the event of such attendance at courts, arbitrations or other proceedings, enquiries or meetings being postponed or cancelled on account of the client or settled by mutual consent or by legal process at any time during any day, fees for a minimum of eight hours should be charged for that day, even if no hearing is attended.
- 9.0 FEES FOR ACTING AS AN ARBITRATOR, MEDIATOR, MEMBER OF A TRIBUNAL OR ASSESSOR IN COURT PROCEEDINGS.
- 9.1 Registered professionals may charge a minimum fee of P3500 per day, when acting as an arbitrator, mediator and/or member of a revision court/board, land/rent tribunal, valuation court/board for rating purposes or as an assessor in any court/board proceedings.
- 9.2 In addition to the remuneration set out above, the following services may be charged based on one and a half times the hourly rate in terms of paragraph 2.1:
- (i) Attendance at preliminary hearings
  - (ii) Inspections in loco
  - (iii) Perusal of documentation and attendance thereon
  - (iv) Preparation for hearings, and
  - (v) Preparing and presenting the awards.
- 9.3 In the event of a registered professional accepting any of the foregoing appointments at a venue other than in his usual residential or business area, he may charge the necessary traveling and accommodation expenses in terms of paragraph 10.0.
- 9.4 In the event of any arbitration hearing, mediation, revision court/board, land/rent tribunal, valuation court/board, or other relevant hearing being postponed, cancelled, settled by mutual consent or legal process at any time during any day, the following minimum fees may be charged:
- (i) Within seven working days of the day set down for the hearing - four hours
  - (ii) Within three-six working days of the day set down for the hearing - eight hours; and
  - (iii) Within one-two working days of the day set down for the hearing - P3500
- 9.5 When fees dealing with valuation courts/boards, land/rent tribunals, or committees are laid down by statute, then registered professionals may accept such fees.
- Any costs incurred by registered professionals for the hiring of venues for hearings, secretarial and recording services and other related costs may be charged in addition to the foregoing.
- 10.0 ALLOWANCES
- 10.1 Transport allowance may be claimed for service rendered at a place other than the place of

business of a registered professional:

- (i) When own transport is used - adopt current Botswana Government rates
- (ii) When public transport is used - the actual cost
- (iii) When conveyance is hired - the actual cost.

- 10.2 Where, in the course of one journey, professional work is performed on the instruction of two or more client, the transport allowance claimed in respect of that journey should be recovered pro rata from the clients concerned.
- 10.3 No transport allowances should be claimed when the client provides suitable and safe transport; provided that where transport which is uninsured in respect of third party risk is offered, the registered professional need not accept such conveyance but shall be free to proceed as if no transport facilities have been offered.
- 10.4 Hotel expenses, meals, and refreshments shall be at cost.
- 11.0 DISBURSEMENTS AND COSTS  
Disbursements and costs incurred by registered professionals may be charged as follows:
- 11.1 Purchase and preparation of plans and drawings - at cost
- 11.2 Obtaining external expert advice and assistance - at cost
- 11.3 Typing and secretarial fees - at 15 per cent of the applicable time charge set out in paragraph 2.0
- 11.4 Postage, telephone calls, photocopies, photographs and other incidentals - at cost
- 11.5 All other necessary expenses not specifically listed - at cost.
- 12.0 INTEREST ON OVERDUE ACCOUNTS  
Interest on overdue accounts at a rate of 3 per cent above prime bank lending rates, on the balance.
- 13.0 CONSULTATION  
A fee at an hourly rate for consultation when consulted in a professional capacity either in person, by telephone or in writing, when such consultation does not lead to instructions for work.
- 14.0 INTERIM ACCOUNTS  
Registered professionals may submit interim accounts for progress payments during the course of an assignment.
- 15.0 DEPOSITS  
Registered professionals may, at their discretion, require a client, or the representative of the client, to pay an agreed sum as deposit against payment of fees prior to commencement of an assignment.

**SEVENTH SCHEDULE**  
**FIDELITY FUND CERTIFICATE**  
(reg 23 (2))

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