

CIRCULAR PF NO. 87

(To all persons who administer the investments of a retirement fund or the disposition of benefits)

REGULATION OF RETIREMENT FUND ADMINISTRATORS

It is brought to your attention that the following was published in the Government Gazette on 24 November 1995.

1 . Proclamation R. 102,1995 in terms of which section 13B of the Pension Funds Act, 1956, will come into operation on 1 April 1996. This section provides for the approval by the Registrar of Pension Funds, of all persons administering the investments of a retirement fund or the disposition of its benefits.

2. Government Notice No R. 1838 providing for the application procedure.

3. Board Notice 101 of 1995 in which the conditions on which an administrator will be allowed to conduct administration business, have been laid down by the Registrar of Pension Funds.

Section 13B(4) provides for exemption from certain conditions by the Registrar. As some of the persons and organisations which are required to apply for approval may be regulated elsewhere, exemptions will be granted where necessary to avoid a duplication in regulation and supervision. Discussions in this regard will be entered into with the industry organisations. You are welcome to contact this office prior to submitting your application.

The following persons and organisations are examples of who may be regarded as retirement fund administrators:

- a professional retirement fund administrator;
- a broker or any other person who receives cheques from an employer to pass on to an administrator, regardless of the identity of the payee;
- an insurer which acts as administrator or fund manager;
- a portfolio manager who deals with retirement funds;
- a stock broker or any other person who receives moneys from a retirement fund for investment purposes;
- an employer which employs staff to administer its pension fund or establishes a subsidiary company to do so;
- a union or industrial council who administers a retirement fund registered in terms of the Pension Funds Act, 1956.
- a retirement fund which administers another retirement fund or funds.

REGISTRAR OF PENSION FUNDS