

BOARD NOTICE 36 OF 2003**PENSION FUNDS ACT, 1956 (ACT NO. 24 OF 1956)
CONDITIONS FOR SCHEMES FOR APPORTIONMENT OF ACTUARIAL
SURPLUSES OF UMBRELLA FUNDS**

I, Dube Phineas Tshidi, Registrar of Pension Funds, hereby under section 15B (2) (a) of the Pension Funds Act, 1956 (Act No. 24 of 1956), prescribe conditions for schemes for the proposed apportionment of actuarial surpluses of umbrella funds as set out in the Schedule.



DP TSHIDI,
REGISTRAR OF PENSION FUNDS

SCHEDULE**PENSION FUNDS ACT, 1956 (ACT NO. 24 OF 1956)
CONDITIONS FOR SCHEMES FOR APPORTIONMENT OF ACTUARIAL
SURPLUSES OF UMBRELLA FUNDS****Definitions****1. In this Schedule-**

"audit-exempt", in respect of a fund, means a fund to which an exemption has been granted under section 2 (3) (a) of the Act as regards the obligation to appoint an auditor;

"scheme", in relation to a fund, means a scheme for the proposed apportionment of actuarial surplus referred to in section 15B (1) (a) of the Act;

"scheme anniversary" in respect of an employer which participates in an umbrella fund, means an anniversary of the date of commencement of participation by that employer in the fund;

"the Act" means the Pension Funds Act, 1956 (Act No. 24 of 1956), and any word or expression to which a meaning has been assigned in the Act, has the meaning so assigned to it;

"umbrella fund" means a fund in which-

- (a) more than one employer participates;
- (b) the assets and liabilities in respect of the members employed by each participating employer are maintained separately from those in respect of members employed by other participating employers; and

- (iii) the financial position is determined separately in respect of the members employed by each participating employer.

Conditions for schemes in respect of umbrella funds

2. The following conditions apply in respect of a scheme to be submitted to the Registrar by the board of a fund which is an umbrella fund, and must be reflected in the provisions of the scheme as so submitted:
 - (a) Section 15B of the Act shall be applied to the assets and liabilities corresponding to members employed by a single participating employer at the earlier of the date upon which the participating employer terminates participation, or, in the case of a fund which is not audit-exempt, the end of the financial year in respect of that participating employer following 7 December 2003 or, in the case of a fund which is audit-exempt, the scheme anniversary of that participating employer following 7 December 2003;
 - (b) the board concerned may apply the said section 15B to the assets and liabilities in respect of each participating employer at a different date; and
 - (c) actuarial surplus held in respect of the members of one participating employer shall not be used to fund any enhancement to former members who worked for other participating employers, nor do the members or former members employed by other participating employers, nor the other employers themselves, have any right to participate in the equitable apportionment of such actuarial surplus.

Short title

3. This Notice is called the Notice on Conditions for Schemes for Apportionment of Actuarial Surpluses of Umbrella Funds, 2003.