

## FINANCIAL SECTOR CONDUCT AUTHORITY

NO. 760

10 JULY 2020

## PENSION FUNDS ACT, 1956

## FINANCIAL SECTOR REGULATION ACT, 2017

**PUBLICATION OF FSCA CONDUCT STANDARD 4 OF 2020 (RF) - MINIMUM SKILLS  
AND TRAINING REQUIREMENTS  
FOR BOARD MEMBERS OF PENSION FUNDS**

The Financial Sector Conduct Authority (Authority), under section 7A(3)(a) of the Pension Funds Act, 1956 (Act No. 24 of 1956), read with section 106(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), hereby prescribe the requirements relating to minimum skills and training for board members of pension funds, as set out in the Schedule.



**D P TSHIDI**  
For THE FINANCIAL SECTOR CONDUCT AUTHORITY

## SCHEDULE

### FSCA CONDUCT STANDARD 4 OF 2020 (RF)

#### MINIMUM SKILLS AND TRAINING REQUIREMENTS FOR BOARD MEMBERS OF PENSION FUNDS

##### 1. Definitions

In this Schedule, “the Act” means the Pension Funds Act, 1956 (Act No. 24 of 1956), and any word or expression to which a meaning is assigned in the Act bears the meaning so assigned to it, and unless the context indicates otherwise-

“Authority” means the Financial Sector Conduct Authority as defined in section 1 of the Act;

“effective date” means the date referred to in paragraph 4(2);

“Financial Sector Regulation Act” means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017); and

“Trustee Training Toolkit” means the Trustee Training Toolkit facility provided for by the Authority on the following website: [www.trusteetoolkit.co.za](http://www.trusteetoolkit.co.za).

##### 2. Prescribed requirement

A board member contemplated in section 7A(3)(a) of the Act must attain the certification of the Trustee Training Toolkit within a period of six months from the date of appointment to the board.

##### 3. Assessment

- (1) A board member must complete the Trustee Training Toolkit -
  - (a) tutorials, case studies and formative (Initial) assessments; and
  - (b) summative (final) assessment.
- (2) Subject to subparagraph (4), the Trustee Training Toolkit summative (final) assessment referred to in subparagraph (1)(b) must be completed under the supervision of the principal officer or chairperson of the board, who must ensure that the relevant board member completes the assessment without assistance.
- (3) The principal officer or chairperson of the board under whose supervision a Trustee Training Toolkit summative (final) assessment (including any additional module referred to in subparagraph (6)) was completed, must sign a declaration that will automatically be generated upon completion of the Trustee Training Toolkit confirming that the relevant board member completed the assessment without assistance and under the supervision of the principal officer or chairperson of the board.
- (4) In instances where it is impractical for the principal officer or chairperson to supervise the board member as contemplated in subparagraph (2), the board member may complete the Trustee Training Toolkit summative (final) assessment without supervision, subject to such board member –

- (a) completing a declaration stating that the board member completed the Trustee Training Toolkit summative (final) assessment without assistance; and
  - (b) providing such declaration to the Authority on request.
- (5) A fund must –
  - (a) retain a copy of the signed declaration referred to in subparagraphs (3) and (4)(a);
  - (b) promptly provide a copy of the signed declaration referred to in subparagraph (3) to the relevant board member; and
  - (c) promptly provide a copy of the signed declaration referred to in subparagraph (3) and (4)(a) to the Authority on request.
- (6) When the Trustee Training Toolkit is amended by the Authority to include additional modules, the Authority may determine, by notice on the website of the Authority, dates by which board members must complete the additional modules.
- (7) When the Trustee Training Toolkit is amended by the Authority to include additional modules, a board member must complete the additional modules in the manner contemplated in subparagraphs (2) and (5).

#### **4. Short title, commencement and transitional arrangements**

- (1) This Conduct Standard is called Minimum skills and training requirements for board members of pension funds, 2020.
- (2) This Conduct Standard becomes effective on the date of publication.
- (3) Subject to subparagraph (4), a board member who was appointed before the effective date is, for purposes of this Conduct Standard, deemed to have been appointed on the effective date and must complete the Trustee Training Toolkit within 6 months of the effective date.
- (4) A board member who attained the certification of the Trustee Training Toolkit before the effective date is not required to complete the certification again, subject to the board member completing a declaration stating that the board member completed the Trustee Training Toolkit without assistance.
- (5) A person who has attained the certification of the Trustee Training Toolkit and is subsequently appointed to a board of a fund is not required to complete the certification again.