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BOARD NOTICE

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1. INTRODUCTION

- 1.1 This Directive is issued in terms of section 33A of the Pension Funds Act, 1956, ("the Act") with an effective date of 1 January 2012.
- 1.2 Directive PF No. 2, issued on 20 November 2008, is hereby withdrawn with effect from 1 January 2012.
- 1.3 This Directive sets out the conditions imposed by the Registrar of Pension Funds ("the Registrar") in respect of the different types of transfers in terms of section 14 of the Act and attempts to clarify other issues in respect of these transfers.
- 1.4 The Registrar will consider section 14 applications, which are submitted by 31 March 2012, utilising the forms as contained in Directive PF No. 2.

2. PREJUDICE TO MEMBERS

- 2.1 Where transfers could result in members being worse off if they resign immediately after the transfer, the board of the fund must ensure that this is investigated prior to the submission of an application to the Registrar.
- 2.2 Where any prejudice as envisaged in paragraph 2.1 is confirmed, the principal officer of the fund concerned must disclose the full details of such prejudice to the Registrar in the relevant forms. The board of the transferor fund must, after a clear communication exercise in which the affected members were comprehensively advised of any prejudice they may suffer, certify that explicit approval for the transfer by at least 75% of the affected members has been obtained.
- 2.3 The boards of both the transferor and the transferee funds must be satisfied that a transfer is reasonable and equitable and accords full recognition to the rights and reasonable benefit expectations of the members. Boards should not merely rely on a statement to this effect by the valuers.

3. MEMBER COMMUNICATION

- 3.1 As part of the communication exercise, transferring members must be provided with their transfer values, or reasonable estimates thereof, as at the effective date of transaction. Furthermore, members must be given sufficient information about the transfer so as to ensure that they can make an informed choice.
- 3.2 In all cases other than for voluntary individual transfers, members must be given at least 30 days in which to lodge an objection, if any, to a transfer.

4. PRESCRIBED FEES

- 4.1 In terms of Regulation, 24(c) issued in terms of section 36 of the Act, the applicable fees set out in Schedule L of the Act are payable by the transferee fund or other person taking transfer on submission of a scheme for the amalgamation or transfer contemplated in terms of section 14(1) of the Act. However, the transferor and transferee funds may agree that the transferor fund will pay the necessary fee. The Registrar will not process an application unless the fee has been paid and the application is duly completed.
- 4.2 All applications for prospective transfers in terms of paragraph 11 of this Directive will be charged on the same basis as a multiple transfer.
- 4.3 All "agterskot" applications in terms of paragraph 13 of this Directive will be charged at the maximum rate for a single transfer.

5. ACTUARIAL SURPLUS

- 5.1 The forms set out the impact of any actuarial surplus included or excluded from the transfer on the fund.
- 5.2 No actuarial surplus may be considered for inclusion as part of a scheme of transfer until the transferor fund's surplus apportionment scheme has been approved or nil return has been noted by the Registrar in terms of section 15B of the Act.
- 5.3 In terms of section 15G of the Act, members who cease to be members of a fund should receive, as part of the transfer values or benefit payments, a share of any credit balances in the member surplus account, the investment reserve account and such contingency reserve accounts as the board deems appropriate.
- 5.4 Transfers can only take place if allowed for by the rules of a fund and therefore any contingency reserve accounts set up in the rules must allow for transfers, where appropriate.

6. TRANSFERS TO OR FROM PERSONS OTHER THAN A REGISTERED FUND

- 6.1 Transfers to or from persons other than a registered pension fund must be considered and approved by the Registrar and Forms A or B, with the necessary amendments, may be used for this purpose.

- 6.2 When a transfer occurs from a registered fund to an insurer through the purchase of annuity policies in circumstances other than those described in Section VI of this Directive, Form C constitutes the documentation required. The documentation can be adjusted to suit those circumstances where an insurer or some other entity is the transferee fund, such as the transfer of the assets and liabilities in respect of death and disability benefits previously paid by a fund to an insurer.
- 6.3 The Registrar will consider transfers from a registered fund to a similarly registered fund in Namibia. It is the responsibility of the transferor fund to ensure that any conditions laid down by the South African Revenue Service ("SARS") are complied with, before submitting an application to the Registrar.
- 6.4 All other transfers between a South African registered pension fund and any other foreign fund or entity domiciled in any jurisdiction other than Namibia, must first be acknowledged by SARS. Proof of such acknowledgement must accompany the section 14 application.
- 6.5 For applications relating to paragraphs 6.3 and 6.4, the registered fund must complete the relevant forms of this Directive and submit its application together with an acknowledgement letter from SARS, where applicable. In addition, proof of registration of the foreign entity in the foreign country must be submitted.

7. TRANSFERS IN CONTRAVENTION OF THE ACT

- 7.1 In terms of section 14(2)(b) of the Act, any transfer approved by the Registrar must be effected within 60 days of the date of the certificate issued by the Registrar in terms section 14(1)(e).
- 7.2 If the Registrar establishes that transfers have been effected without approval in terms of section 14(1) of the Act, the Registrar will require such illegal transfers to be reversed. Furthermore, penalties in terms of section 37 of the Act, as well as other administrative sanctions allowed under the Act, may be imposed.
- 7.3 The Registrar will also consider possible action under sections 25 and 26 of the Act in such circumstances.
- 7.4 As such transfers cannot take place without the complicity of the administrators of both transferor and transferee funds, the Registrar may consider revoking the approval in terms of section 13B of the Act of any administrator who effects a transfer without due approval having been obtained.
- 7.5 If any benefits have been paid by the transferor fund during the period between the effective date and the date of approval of the section 14(1) application, the provisions of paragraph 16.3 of this Directive will apply.

8. FINANCIAL STATEMENTS

- 8.1 In the case of a full transfer, the fund must still compile financial statements for the period from the start of the previous financial year until the date of the actual transfer of the assets. The final financial statements for the fund must reflect nil assets, liabilities and members.
- 8.2 Where the final financial statements are in respect of a period of between 12 and 18 months, the rules of the fund need not be amended to extend the financial year to a maximum of 18 months.
- 8.3 The fund must make provision to cover any fees payable by the transferor fund for the period from the effective date of transfer to the closure of the fund.
- 8.4 Upon the finalisation of a transfer contemplated in paragraph 8.1 above, and the submission of final financial statements, funds must use Forms F and F1 to apply to the Registrar for the cancellation of their registration.

SECTION I

AMALGAMATIONS AND TRANSFERS OF BUSINESS IN TERMS OF SECTION 14(1)

9. TYPES OF TRANSFERS AND RELATED MATTERS

- 9.1 There are various types of transfers that can be done in terms of section 14(1) of the Act. The forms to provide for the various types are contained in the Annexure to this Directive.
- 9.2 The prescribed forms must be duly completed, submitted and the application approved by the Registrar before any actual transfers in terms of section 14(1) may be effected.

10. RETROSPECTIVE TRANSFERS

- 10.1 Retrospective transfers constitute transfers where the number of members and the amounts are known at the effective date of the section 14(1) application.
- 10.2 Form A must be completed, as well as the following:
- 10.2.1 Form A1, in the case of the transferor fund, where the fund is subject to actuarial valuation.
 - 10.2.2 Form A2, in the case of the transferee fund, where the fund is subject to actuarial valuation.
- 10.3 Where the transferor fund is not a registered fund in terms of the Act, Form A must be completed by the transferee fund.

11. PROSPECTIVE TRANSFERS

- 11.1 Prospective transfers constitute blanket transfers where the number of members and amounts are not known at the effective date of the section 14(1) application.
- 11.2 Form B must be completed, as well as the following:
- 11.2.1 Form B1, in the case of the transferor fund, where the fund is subject to actuarial valuation.
 - 11.2.2 Form B2, in the case of the transferee fund, where the fund is subject to actuarial valuation.

- 11.3 The forms provide that approval may be applied for in respect of blanket transfers between two specific funds. Approval for a blanket transfer may be granted prospectively for a maximum period of 12 months from the effective date of the scheme of transfer.
- 11.4 In case of a blanket section 14(1) application, the fund must within two months of the expiry of the 12-month period, complete Form B3 (previously Form B7) and submit it to the Registrar.
- 11.5 Where the option to transfer is not given effect to within the 12-month period, a new section 14(1) application must be submitted to the Registrar for approval.

12. PURCHASE OF PENSIONS IN THE NAME OF PENSIONERS

- 12.1 For applications of groups of pensioners whose pensions are purchased in their names, Forms C and C1 must be completed.
- 12.2 Where a blanket section 14(1) application is applicable, the fund must within two months after the expiry of the 12-month period, complete Form C2 and submit it to the Registrar.
- 12.3 For applications involving the purchase of individual annuity policies, Form D is to be completed and retained by the fund.
- 12.4 Where a pensioner will be outsourced by means of an individual annuity policy in the name of the pensioner and the rules do not provide for the conditions set out in paragraph 26.3, the purchase of such policy will be subject to the provisions of section 14(1) of the Act.
- 12.5 Many funds have in the past purchased annuity policies with the fund as the owner of the policies. Conversion of such fund policies to individual policies (where the member, or a beneficiary who is entitled to an annuity following the member's death after retirement, becomes the owner of the policy) represents a transfer of business in terms of section 14(1) of the Act and therefore requires the Registrar's approval.
- 12.6 Where the individual annuity is purchased from a registered long-term insurer, the board of the fund must ensure that any conditions or restrictions contained in the rules of the fund be contained in the compulsory annuity policy document (subject to Directive 135 issued by the Registrar of Long-term Insurance, which provides that there may be no restriction on the transferability of an annuity policy), unless specifically agreed to between the fund and the member.

- 12.7 The above-mentioned conditions or restrictions must be worded in such a way that they can be retained in any subsequent replacement policies issued. In addition, the following must be incorporated as part of these conditions:
- 12.7.1 the name of the fund;
 - 12.7.2 the type of fund (e.g. pension fund, provident fund, retirement annuity fund or preservation fund);
 - 12.7.3 an appropriate policy must be purchased as required in terms of the rules of the fund;
 - 12.7.4 the policy must not be capable of being surrendered;
 - 12.7.5 any explicit guarantees contained in the rules of the fund must be retained;
 - 12.7.6 the provision to be included in the annuity for subsequent increases in annuity payments; and
 - 12.7.7 the policy or benefits which become payable in terms of the annuity policy shall not be capable of being ceded, pledged or hypothecated, or be liable to be attached or subjected to any form of execution under a judgment or order of a court of law, or to the extent of not more than three thousand rand per annum, be capable of being taken into account in a determination of a judgment debtor's financial position in terms of the Magistrates' Courts Act, 1944. Ownership of a compulsory annuity may not be transferred to another entity or person.

Disclosure Requirements

- 12.8 Any costs, ongoing fees and expenses ("expenses"), which are incurred as a result of the purchase of the annuity policy from an insurer in terms of section 37 of the Long-term Insurance Act, 1998 must be fully disclosed by the registered long-term insurer or the intermediary concerned. The impact of these expenses on the policy value and how these expenses will be paid must be fully disclosed.
- 12.9 All commissions payable on the purchase of an annuity must be disclosed to the member and are subject to the provisions of the regulations made under section 49 of the Long-term Insurance Act, 1998.
- 12.10 The board of the fund must ensure that the declaration as set out in Form D of this Directive has been completed by the member. The fund must retain such certificate for its own records.

13. "AGTERSKOT" ADJUSTMENTS

- 13.1 "Agterskot" means any additional benefit that a member becomes entitled to as a result of that member's current or past membership of a fund.
- 13.2 The Registrar will permit an adjustment to the quantum of assets of a previously approved transfer where the valuator or the board determines that, with the benefit of hindsight, a revised quantum of assets should be transferred. Such adjustments may also include amongst others, the payment of proceeds resulting from bulking practices, benefits arising from the Statement of Intent, and where applicable, surplus payments as a result of an approved surplus apportionment scheme.
- 13.3 The application for an "agterskot" adjustment must refer back to one or more previous transfer applications that were approved by the Registrar and must exclusively address the quantum of assets transferred.
- 13.4 For an 'agterskot' adjustment application, Form E must be completed.
- 13.5 Exactly the same members should be affected by the "agterskot" adjustment and the additional assets must be applied in the same manner as was the case in the original transfer.
- 13.6 The boards of both the transferor and transferee funds must have agreed to the "agterskot" adjustment.
- 13.7 The adjustment to the quantum of assets transferred must be accumulated with fund return or by other agreed arrangements, from the effective date of when the entitlement to the "agterskot" arose until the date of final settlement.
- 13.8 In terms of the Income Tax Act, 1962, a once-off payment of a surplus benefit may not be subject to income tax. It must be noted that transferring such benefits may not necessarily guarantee this tax concession. When considering whether or not to approve an application for transfer, the Registrar must be satisfied that the transfer is fair and equitable and that it meets the reasonable benefit expectations of the members. As a result, the Registrar must be satisfied that any potential tax consequences have been communicated to the affected members and that they have made informed choices to transfer.

14. LAPSING OF SECTION 14(1) APPLICATIONS

- 14.1 Delays in the approval of section 14(1) transfer applications or delays in the consideration of responses to queries raised by the Registrar's office are often caused by administrative errors.
- 14.2 As a result the Registrar has to raise queries, to which responses are sometimes not received in time, which lead to even further delays in the process.
- 14.3 In terms of section 14(5) of the Act, an application shall lapse if the Registrar requests further information and no satisfactory response is received from either the transferor or transferee fund after a period of 180 days from the date of such a request.
- 14.4 The applicant will be informed of the lapse of the application and a new application, with fees as prescribed, will have to be submitted. The fee already paid will be forfeited.

15. ERRORS AND ADJUSTMENTS TO APPLICATIONS FOR TRANSFERS

- 15.1 In terms of section 14(6) of the Act, the Registrar may withdraw or amend a certificate issued in terms of section 14(1)(e), in circumstances where the Registrar is satisfied that—:
- (a) the scheme or information provided in terms of section 14(1) was so inaccurate that he would not have granted such certificate had he been aware of the actual facts; or
 - (b) the certificate contains a *bona fide* error.

Replacement pages

- 15.2 Replacement pages will only be considered where they are submitted and the Registrar is notified of these, prior to the issuing of a certificate in terms of section 14(1)(e) of the Act.
- 15.3 Any replacement pages must be duly completed and signed.

Correction of errors (other than "agterskot" adjustments) to previously approved schemes

- 15.4 If errors are discovered in a previously approved section 14(1), the Registrar will consider an application to correct such errors within a reasonable period.
- 15.5 A revised section 14(1) application, indicating the errors contained in the previous application and duly signed and submitted by the parties responsible for the previous application, must be submitted to the Registrar for approval.

15.6 The following are examples of cases that will not be regarded as correction of errors and in respect of which new section 14(1) applications will be required:

15.6.1 Members and their corresponding transfer values were omitted from the initial "erroneous" application.

15.6.2 Members were transferred incorrectly (i.e. when they should not have been transferred). In this case, a reversal section 14 application will be required.

Surplus enhancements for active members

15.7 Where a transferor fund has submitted an application in terms of section 14(1) of the Act after the transferor fund's surplus apportionment date, and the surplus apportionment scheme is approved before the section 14(1) application is approved, transferring members who were active in the fund at surplus apportionment date cannot be paid in cash. In such a case, the relevant forms can be amended to reflect the enhanced benefit, prior to approval of the transfer application by the Registrar, failing which a separate application for 'agterskot' must be made.

16. ACTUAL TRANSFERS TO CORRESPOND WITH THE APPROVED SCHEME

Actual transfer different from approved transfer

16.1 Where the assets and/or liabilities actually transferred differ from those approved in terms of the scheme, the funds should, without delay following discovery, correct the actual transfer to be in accordance with the approved scheme.

16.2 No further approval is required, as the corrective action will result in conformance with a scheme already approved in terms of section 14(1) of the Act.

Payment of benefits between the effective date of a retrospective transfer application and the date of approval by the Registrar

16.3 Any withdrawal, death or pension payments made from the assets to be transferred, must be reconciled by the transferor fund as set out in Form G, certified by duly authorised officials of both the transferor and transferee funds and such reconciliation must be retained by both funds and be available to the Registrar on request.

17. FUND RETURN PAYABLE FROM THE EFFECTIVE DATE TO THE DATE OF FINAL SETTLEMENT

17.1 The transferor fund must compensate the transferee fund (or the members transferring) for investment earnings over the period from the effective date to the actual date of transfer.

17.2 The scheme of transfer must set out the fund return that will accrue in respect of the transfer value determined as at the effective date of transfer. This must be disclosed in the various forms attached hereto.

17.3 If, after submission but before approval of the transfer by the Registrar, it appears that:

17.3.1 the transferor fund has contracted to pay a specified rate of interest over the period from the effective date to the date of transfer; and

17.3.2 the transferor fund did not take adequate steps to protect itself against the risk that the fund might not earn this specified rate on the transfer value;

the board must consider whether the scheme must be amended prior to approval by the Registrar, taking into account the rights of both the members transferring, as well as those staying behind, and withdraw the application if considered necessary.

18. SATISFACTION OF RIGHTS AND REASONABLE BENEFIT EXPECTATIONS

18.1 The board of the fund and the valuator must express an opinion on whether the transfer satisfies the rights and reasonable benefit expectations of members and must indicate as such when the forms are completed.

18.2 The Registrar will not accept modifications to the opinion prescribed in the forms since it negates the fiduciary responsibility of the board of the fund and the valuator to the stakeholders in a fund, unless such modification is adequately motivated.

19. PRACTICE IN RESPECT OF BENEFITS PAYABLE IN THE PERIOD BETWEEN THE EFFECTIVE DATE OF TRANSFER AND THE ACTUAL TRANSFER

- 19.1 Subject to the rules of the fund, when the effective date of the transfer is in the past, members to be transferred have rights in both the transferor and transferee funds until such time as the transfer has been concluded. When delays are anticipated between the effective date of a transfer and approval of the transfer, it is strongly recommended that the problems associated with this dual membership are avoided by limiting the rights of the transferring members in the transferee fund to benefits arising from service after the effective date of the transfer (in terms of the rules) and amending the rules of the transferor fund to ensure that the transferring members are treated as "paid up" members. The Board should carefully consider the rights to death and disability benefits after the effective date of the transfer.
- 19.2 Should the rights cease on the effective date, the rules must be amended to reflect this. If not, the Board must ensure that insurance of the risk benefits remain in place.
- 19.3 When the transfer application is approved and the transfer value is received by the transferee fund, the transferee fund should recognise prior service or grant benefits in respect of the transfer value received.
- 19.4 If death, disability, resignation, dismissal, retrenchment or retirement occurs after the effective date of transfer but before the section 14(1) application has been approved by the Registrar, two possible situations can arise depending on the type of application:
- 19.4.1 Where the retrospective method is used, the funds should reach agreement as part of the transfer negotiation as to whether the member (or his beneficiaries) will receive benefits in respect of past service from the transferor fund or the transferee fund. Once the agreement is concluded, the funds should amend their rules accordingly, which rules should be applied consistently across all transferring members. If benefits in respect of past service are payable from the transferee fund, benefits can only be paid once the application is approved and the member has been included in the transfer. If benefits in respect of past service are payable from the transferor fund, the benefits should be paid immediately in terms of the rules of the transferor fund. In either case, benefits in respect of service after the effective date of transfer will be paid from the transferee fund; or
- 19.4.2 Where the prospective method is used, the member (or his or her beneficiaries) will receive benefits from both funds. The rules of both funds should therefore be explicit as to the benefits they will receive. Form B3 or C2 (as appropriate) must be completed by the transferor fund and submitted within 2 months after the expiry of the 12-month period.

- 19.5 As a member remains a member of the transferor fund until the section 14(1)(e) certificate has been issued, there is a legal obligation on the transferor fund to meet any benefit payments that fall due prior to the approval of the transfer application, in respect of members who have transferred.

SECTION II

FULL TRANSFERS, SURPLUS AND CANCELLATION OF A FUND'S REGISTRATION

20. INTRODUCTION

- 20.1 "Full transfer" means where the approval of a transfer will result in the transferor fund having no remaining members, assets or liabilities.
- 20.2 In the case of a full transfer, Forms F and F1 must be completed in addition to the other requirements listed throughout section II of this Directive.
- 20.3 The Registrar will not approve full transfers that are applied for without the Registrar having approved a surplus apportionment scheme or noted a nil return in terms of section 15B of the Act in respect of the transferor fund.
- 20.4 Such transfers generally have the effect of leaving the fund without a board of management to fulfil the fund's duties up to the time when the registration of the fund is cancelled, hence the requirements to ensure continuity as outlined below.

21. REGISTRAR'S REQUIREMENTS

- 21.1 With regard to funds that satisfy the requirements of a nil return, the Registrar must note the nil return before a full transfer application can be considered.
- 21.2 With regard to all other funds, including those funds that have not yet had their surplus apportionment schemes approved or nil returns noted by the Registrar, or funds that will have other assets remaining in the fund following the full transfer, the following must be complied with:
- 21.2.1 An application must be submitted for the members' accrued liabilities and associated assets to be transferred; and
- 21.2.2 In addition, the rules of the transferor fund must allow:
- that the board of the fund's term of office will be extended for a period of at least three years from the effective date of the full transfer; or
 - where the board of the fund is no longer properly constituted, that the Registrar may appoint one or more independent persons to the board.

- 21.3 The rule requirements are necessary to ensure, *inter alia*, that the fund completes and submits a surplus apportionment scheme or nil return, as the case may be, and to ensure that the fund applies for cancellation of registration in terms of section 27 of the Act.
- 21.4 The reasonable cost of any intervention by the Registrar in the management of the fund and/or remuneration of independent board members will be payable from the assets of the fund.
- 21.5 If the rules of the transferor fund do not allow for the conditions outlined above, the existing board of the fund must duly amend the rules before their term of office expires.
- 21.6 Once the Registrar has approved a transfer of all accrued liabilities, the balance of the assets remaining in the transferor fund must either be apportioned in terms of an approved surplus apportionment scheme (refer to section 15B of the Act) or, where the Registrar noted a nil return, transferred in terms of a subsequent section 14(1) application.
- 21.7 The principal officer, valuator or auditor must within 60 days of the transfer of assets, apply for the cancellation of registration of the fund.

SECTION III

AMALGAMATIONS AND TRANSFERS OF BUSINESS IN TERMS OF SECTION 14(8)

22. BACKGROUND

- 22.1 This section provides guidance on the process that must be followed when effecting amalgamations and transfers in terms of section 14(8) of the Act.
- 22.2 In case of an amalgamation or transfer contemplated in section 14(8) of the Act, a fund does not have to submit a scheme for the proposed transaction to the Registrar. Furthermore, the Registrar is not required to issue a certificate to the effect that all the requirements of section 14(1) of the Act have been satisfied.
- 22.3 In terms of section 14(8) of the Act, the provisions of section 14(1) do not apply where the affected members were duly informed of a proposed transaction and any objection the members may have had, has been resolved to the satisfaction of the board concerned, and:–
- 22.3.1 both the transferor and transferee funds are valuation exempt;
- 22.3.2 both the transferor and transferee funds are beneficiary funds; or
- 22.3.3 the transferor or transferee fund is neither registered nor required to register under the Act and the other fund is valuation exempt.
- 22.4 Furthermore:–
- 22.4.1 such registered funds must keep proper records of all such transactions;
- 22.4.2 the assets and liabilities must be transferred within 180 days of the effective date of the transfer; and
- 22.4.3 any assets transferred must be increased or decreased with fund return from the effective date until the final date of settlement.
- 22.5 The records of any transaction effected in terms of section 14(8) of the Act must be maintained by both funds and be made available to the Registrar upon request or inspection.
- 22.6 No proposed transaction in terms of section 14(8) of the Act will be of any force or effect if, in the Registrar's view, the transaction effected does not comply with the provisions of the Act or the conditions prescribed in this Directive.

23. REGISTRAR'S REQUIREMENTS

23.1 As a minimum, registered funds are required to maintain the following documents for any transaction contemplated in terms of section 14(8) of the Act:

23.1.1 Form H – Scheme for the proposed transfer of business, duly completed and signed;

23.1.2 Form J – Recognition of transfer of business, duly completed and signed;

23.1.3 Proof that the proposed transaction has been communicated and any objection the affected members may have had, had been resolved to the satisfaction of the fund concerned (this provision will not apply to voluntary transfers at the request of an individual member);

23.1.4 Proof of valuation exemption (unless exemption was granted in terms of section 6 of this Directive); and

23.1.5 Proof that the Registrar is satisfied that the requirements for surplus schemes in terms of section 15B of the Act have been complied with (where applicable).

23.2 In terms of section 14(8)(ii) of the Act, the Registrar prescribes the following conditions:

23.2.1 The proposed transaction can only be effected in terms of the rules of the relevant fund and the provisions of such rules must be complied with unless the provisions of section 14(7) of the Act apply.

23.2.2 Where a proposed transaction might cause prejudice to any of the affected members upon transfer, the explicit approval of the proposed transaction by at least 75% of the affected members must be obtained, provided that where such transaction involves the transfer of unclaimed benefits, this requirement is replaced by the relevant board disclosing such prejudice in the forms.

23.3 Furthermore, any proposed transaction in terms of section 14(8) of the Act is not to be of any force or effect unless:–

23.3.1 both funds have agreed to the proposed transaction by duly completing and signing Form H;

23.3.2 the date of payment has been recorded on Form J; and

23.3.3 the transferor fund completes and signs Form J once the transfer is effected and makes available a copy to the transferee fund within 14 business days from the date of payment. Likewise, the transferee fund must within 14 business days complete and sign Form J and provide a copy to the transferor fund.

24. FULL TRANSFERS UNDER SECTION 14(8)

- 24.1 Where a transfer will result in the transferor fund having no remaining members, assets and liabilities ("full transfer"), the following requirements must be complied with, in addition to the requirements set out in this section:
- 24.1.1 The transferor fund must provide proof to the transferee fund that the Registrar has either approved the fund's surplus apportionment scheme or noted its nil return in terms of section 15B of the Act; and
 - 24.1.2 The transferor fund must complete Forms F and F1 of this Directive in order to apply for cancellation of its registration.
- 24.2 The transferor fund must submit copies of Forms H and J of the transaction as well as Forms F and F1 within 60 days following the date of final settlement to ensure that the registration of the transferor fund is cancelled.

SECTION IV

TRANSACTIONS WHICH DO NOT REPRESENT A TRANSFER IN TERMS OF SECTION 14

25. INTRODUCTION

- 25.1 The types of transactions discussed in this section represent the payment of a benefit to the member or the member's beneficiaries and therefore fall outside the ambit of "transfer of any business" as contemplated in section 14(1) of the Act.

26. TYPES OF TRANSACTIONS

- 26.1 A transfer of a pension interest awarded in terms of section 7(8) of the Divorce Act, 1979, to a non-member spouse.
- 26.2 A member who, on resignation, retrenchment, dismissal or upon leaving the service of an employer for some other reason, or on liquidation of the fund, is entitled to receive a benefit in cash or is entitled to elect to translocate the benefit to another fund.
- 26.3 On retirement of a member, the rules of a fund allow the retiring member to request the board of the fund to purchase an annuity policy from an insurer registered in terms of the Long-term Insurance Act, 1998. For a fund to give effect to such a request, the rules of the fund must provide for the following:
- 26.3.1 the requesting member's membership of the fund shall cease as soon as the purchase of the annuity, or annuities, is concluded and the balance of any benefit payable in terms of the rules is paid in full.
 - 26.3.2 the fund will have no obligation towards the member once the purchase is concluded.
 - 26.3.3 The annuity policy must be structured in such a way that the member and any other beneficiaries who are entitled to an annuity on the member's death after retirement, become the owners of the policy.
 - 26.3.4 The capital amount after commutation, if applicable, must be used to purchase the policy.

26.3.5 Where the fund is a defined benefit fund, this capital amount after commutation should be either:

- (i) The actuarial reserve corresponding to the benefit defined in the rules, as calculated by the valuator, using the assumptions adopted in the immediately preceding actuarial valuation of the fund with augmentation, if any, from contingency reserve accounts in terms of section 15G;

OR

- (ii) The purchase price of an annuity policy from a registered long-term insurer, which policy shall provide a stream of income equivalent to the pension which the member could reasonably have expected from the fund.

26.3.6 Where the fund is a defined contribution fund, this capital amount after commutation should be the full minimum individual reserve as defined in the Act with augmentation, if any, from contingency reserve accounts in terms of section 15G.

26.4 On the death of a member, the rules of the fund may allow the board of the fund to purchase one or more annuity policy on behalf of the deceased member's beneficiaries on such basis that these beneficiaries become the owners of the annuity policies and the fund ceases to have any obligation towards the deceased member's beneficiaries once the purchase is concluded.

SECTION V

APPLICATIONS FOR EXTENSION IN TERMS OF SECTION 33

27. INTRODUCTION

27.1 In terms of section 33 of the Act, the Registrar may extend certain periods and the aim of this section is to clarify the process to be followed when applying for extension:

27.1.1 for the late submission of section 14(1) applications;

27.1.2 of the late payment of assets following the Registrar's approval in terms of section 14(2)(b) of the Act; or

27.1.3 of the periods contemplated in section 14(8) for transfers where both funds are valuation exempt.

28. REGISTRAR'S REQUIREMENTS

28.1 In order for the Registrar to consider an application for the extension of a period in terms of section 33 of the Act, Form K must be completed, in addition to the following:

28.1.1 a duly signed cover letter addressed to the Registrar;

28.1.2 the request for extension must be signed, as prescribed on the form, by the principal officer and a duly authorised member of the board of a fund, or a board of the fund appointed by the Registrar in terms of section 26 of the Act; and

28.1.3 the party or parties responsible for the delay in submitting the application, and delays in effecting the transfer within the periods contemplated in the various provisions of section 14 of the Act, must be explicitly stated in the application for extension.

28.2 An application for extension to the Registrar must be made electronically (through the FSB Retirement Funds Online System, available at the website: www.fsb.co.za) in portable document format (PDF).

28.3 Where a fund contemplates applying for extension in respect of different periods prescribed in the Act, separate requests must be submitted.

28.4 Where extension is being applied for after the period has already lapsed, the Registrar will only consider such extension in special circumstances as motivated in the extension request.

- 28.5 In the case of a section 14(1) application where extension has been granted, upon the actual submission of the application to the Registrar, proof of extension must also be submitted in the form of the approval letter granted by the Registrar for such extension.
- 28.6 Where an extension is requested for the 60-day period in terms of section 14(2)(b) of the Act, both the transferor and transferee funds are required to duly authorise the application for extension by jointly signing Form K. The applicant must furthermore enclose a copy of the section 14(1)(e) approval for which the extension is being sought.
- 28.7 As part of the request for extension, updated transfer values must be provided in Form K and any differences must be explained.

SECTION VI

EXEMPTIONS FROM THE PROVISIONS OF SECTION 14

29. INTRODUCTION

29.1 In terms of section 2(5) of the Act, the Registrar exempts the following amalgamations or transfers from the provisions of section 14(1):

29.1.1 transfers of unclaimed benefits from a registered fund to an unclaimed benefit fund;

29.1.2 transfers between unclaimed benefit funds;

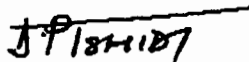
29.1.3 transfers between retirement annuity funds; and

29.1.4 transfers between preservation funds.

30. REGISTRAR'S REQUIREMENTS

30.1 For a transfer application exempted under paragraph 29, Forms H and J, with the relevant adjustments, must be completed.

30.2 The process prescribed in Section III of this Directive must be followed.



FOR REGISTRAR OF PENSION FUNDS

FORM A

SECTION 14(1): SCHEME FOR THE PROPOSED TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE (TRANSFeree FUND) (12/8/.....) AS AT (insert effective date)

[To be completed and signed by duly authorised officials of both the transferor and transferee funds respectively (i.e. the chairperson, another member of the board and the principal officer of the fund)]

- The purpose of the scheme and whether or not the transfer is based on any agreement (if based on agreement, a copy must be enclosed with the application):

.....

- The transfer will be effected in terms of the following rule(s):

Transferor Fund:		Transferee Fund:	
------------------	--	------------------	--

- The associated accrued liabilities / share of fund and the effect of the transfer on the membership of the transferor fund at the effective date of the transfer are as follows:

	Number transferring:	Accrued liability / share of fund:	Number remaining after the transfer:
Active members			
Pensioners			
Deferred pensioners			
Unclaimed benefits			
Total:			

- The table below reflects the amounts relating to the transfer and the rule(s) of the fund in terms of which the inclusion of the member surplus account and reserve accounts are based:

Account:	Balance prior to transfer:	Amount transferred:	In terms of Rule:
Investment reserve account:			
Member surplus account:			
Contingency reserve accounts:			
A			
B			
C			
Total:			

Notes:

- "Proportionate share" means that each transferring member will receive a proportion of the credit balance in the account in the ratio that his / her liability in respect of accrued service bears to all members' liabilities in respect of accrued service at the effective date of the transfer.
- Where members will not receive such a proportionate share, this must be explained.
- In the case of a defined benefit fund, the investment reserve is deemed to be the solvency reserve that must include the difference between the fair value of the assets and the actuarial value of the assets. In the case of a defined contribution fund, the investment reserve is defined in the Act.
- Amounts stated in the table above must be stated as at the effective date of the transfer. Should accurate amounts only be available as at the previous valuation date of the fund, then approximate figures, with an explanation of the method used to determine these amounts, will suffice.
- The contingency reserve accounts stated in the table must be in terms of the rules of the fund.

5. The total amount that will be transferred at the effective date is R, and this amount is constituted as follows:

	Rand
Members' Actuarial Values/Shares of Fund	
Surplus and Reserves	
Total	

6. The assets to be transferred will be increased or decreased with fund return¹ from the effective date of the transfer to the date of final settlement.

OR

A fixed rate of interest is payable, in terms of rule of the transferor fund.

(Delete whichever is not applicable.)

7. Where housing loans are transferred, the details thereof, or an explanation as to the extent and nature of the liability, are as follows:

.....

Where housing loans cannot be transferred due to the impact of the National Credit Act, 2005, the board has resolved to deal with the housing loans as follows:

.....

8. Where any enforceable court orders in respect of the members transferring form part of the liabilities transferred, the details are as follows:

.....

¹ As defined in the Pension Funds Act, 1956 ("the Act").

CERTIFICATION BY THE TRANSFEROR FUND:

9. We, the board of the transferor fund, certify that:

- 9.1 the transfer values accord full recognition to the rights and reasonable benefit expectations of the transferring members;
- 9.2 members will receive their accrued actuarial liability / share of fund determined in terms of the rules of the fund, together with such share of any credit balances in the member surplus account (where applicable) and reserve accounts (where applicable) in terms of section 15G of the Act, as outlined in paragraph 4, subject to minimum benefits in terms of sections 14A and 14B of the Act;
- 9.3 the rights and reasonable benefit expectations of the remaining members are not adversely affected;
- 9.4 the provisions of the rules of the transferor fund have been complied with;
- 9.5 the communication to the affected members was adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer. (A copy of communication material is attached);
- 9.6 all members were given at least 30 days to object to the scheme of transfer and all objections were considered:

Number received:	<input type="text"/>	% unresolved:	<input type="text"/>
------------------	----------------------	---------------	----------------------

and, where the complaints were reasonable, the scheme of transfer was amended;

- 9.7 where the transfer will prejudice the transferring members, we are satisfied that at least 75% of the affected members have agreed to the transfer; and
- 9.8 no member will become entitled to a cash refund, except for payment of tax payable to SARS and except where housing loans granted by the transferor fund have been redeemed with appropriate payment of tax to SARS.
10. We, duly authorised by the board of the transferor fund, declare that the information in paragraphs 1 to 9 above is, to the best of our knowledge and belief, correct and complete.

CHAIRPERSON /
AUTHORISED MEMBER OF
THE BOARD

AUTHORISED MEMBER OF
THE BOARD

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

DATE

CERTIFICATION BY THE TRANSFeree FUND:

11. We, the board of the transferee fund, certify that:

- 11.1 the rights and reasonable benefit expectations of the existing members in the transferee fund are not adversely affected;
- 11.2 the benefits of the transferring members will be applied reasonably and equitably in the transferee fund;
- 11.3 the provisions of the rules of the transferee fund have been complied with;
- 11.4 the communication to the transferring members was adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer; and
- 11.5 the board applied its mind to the application of amounts to be transferred and resolved to allocate it as follows:

Account:	Amount transferred:	In terms of Rule:
Member share account:		
Investment reserve account:		
Member surplus account:		
Contingency reserve accounts: A B C		
Total:		

12. We, duly authorised by the board of the transferee fund, declare that the information in paragraphs 2 and 11 above is, to the best of our knowledge and belief, correct and complete.

_____ CHAIRPERSON / AUTHORISED MEMBER OF THE BOARD	_____ AUTHORISED MEMBER OF THE BOARD	_____ PRINCIPAL OFFICER
_____ FULL NAME IN PRINT	_____ FULL NAME IN PRINT	_____ FULL NAME IN PRINT
_____ DATE	_____ DATE	_____ DATE

FORM A1

SPECIAL REPORT OF A VALUATOR TO THE (TRANSFEROR FUND) (12/8/.....) IN TERMS OF SECTION 14 (1) (B) IN RESPECT OF THE TRANSFER OF MEMBERS FROM THE TRANSFEROR FUND TO THE (TRANSFeree FUND) (12/8/.....) AS AT (insert effective date)

[To be completed by a valuator only where the transferor fund is not valuation exempt]

- 1. The transfer will not render the transferor fund unable to meet the requirements of the Pension Funds Act, 1956, or to remain in a sound financial condition.

OR

The transferor fund will cease to exist after the transfer has been effected.

(Delete whichever is not applicable.)

- 2. Basis and method used to calculate the transfer values (including provision for minimum benefits, such shares of the member surplus account, investment reserve account and the contingency reserve accounts as the board has deemed appropriate to be included):

.....
.....

Note:

Reference can be made to the rules of the fund and the most recent actuarial valuation report completed.

- 3. Where the transferor fund pays pensions from the fund, the fund's pension increase policy was given effect to as follows:

.....
.....

- 4. Where a valuation basis different to the one used in the last statutory actuarial valuation is applied, the reasons therefore and the effect thereof on the transfer values are as follows:

.....
.....

- 5. In my opinion, the transfer values and such shares of the member surplus account, investment reserve account and the contingency reserve accounts as have been included in the transfer, satisfy the rights and reasonable benefit expectations of the members, deferred pensioners, and pensioners transferred in respect of benefits arising from service prior to the effective date of transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the members, pensioners and deferred pensioners transferred are adversely affected:

.....
.....

- 6. In my opinion, the rights and reasonable benefit expectations of the remaining members, pensioners and deferred pensioners will not be prejudiced as a result of the transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the remaining members, pensioners or deferred pensioners are adversely affected:

.....
.....

- 7. The effect on the funding level of the transferor fund, before and after the transfer is as follows:

.....
.....

- 8. The impact of the inclusion in the transfer value of any share of the member surplus account, investment reserve account and any contingency reserve accounts on the members remaining in the transferor fund is as follows:

.....
.....

Note:

Where the valuator has prepared a report setting out the financial consequences expected as a result of the transfer, as would commonly be the case if a fund is being restructured, a copy of the report should be attached.

- 9. I, valuator to the transferor fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

DATE

FORM A2

SPECIAL REPORT OF A VALUATOR TO THE (TRANSFEREE FUND) (12/8/.....) IN TERMS OF SECTION 14 (1) (B) IN RESPECT OF THE TRANSFER OF MEMBERS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE TRANSFEREE FUND

[To be completed by a valuator only where the transferee fund is not valuation exempt]

- 1. The transfer will not render the transferee fund unable to meet the requirements of the Pension Funds Act, 1956 or to remain in a sound financial condition.

If not, the valuator must explain the effect of the transfer on the transferee fund and the steps that should be taken to attain a financially sound condition after the transfer:

.....

- 2. In my opinion, the transfer values have been applied in such a way as to give the transferring members full recognition for the amount transferred in:

- 2.1 the value of the benefits granted in terms of the rules of the transferee fund; and

- 2.2 the allocation of part of the transfer value to the member surplus account, investment reserve account and contingency reserve accounts in the transferee fund.

- 3. In my opinion, the rights and reasonable benefit expectations of the existing members, pensioners and deferred pensioners will not be prejudiced as a result of the transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the existing members, pensioners or deferred pensioners are adversely affected:

.....

Note:

The valuator should consider, amongst other matters, the expectations that the existing members, pensioners and deferred pensioners have in respect of the use of the member surplus account, investment reserve account, and contingency reserve accounts.

- 4. The effect on the funding level of the transferee fund, before and after the transfer is as follows:

.....

5. Where the transferee fund pays pensions from the fund, the fund's pension increase policy was given effect to as follows:

.....
.....

6. I, valuator to the transferee fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

DATE

FORM B

BLANKET TRANSFERS AND TRANSFER OF MEMBERS BETWEEN TWO FUNDS WHEN EXACT NUMBERS ARE NOT KNOWN

SECTION 14(1): SCHEME FOR THE PROPOSED TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE (TRANSFEE FUND) (12/8/.....)

[To be completed and signed by duly authorised officials of both the transferor and transferee funds respectively (i.e. the chairperson and another member of the board and the principal officer of the fund)]

1. The purpose of the scheme and whether or not the transfer is based on any agreement (if based on agreement, a copy must be enclosed with the application):

.....

2. The transfer will be effected in terms of the following rule(s):

Transferor Fund:		Transferee Fund:	
------------------	--	------------------	--

3. The effective date of the transfer is

OR

The transfer will occur as and when members elect to transfer to the transferee fund within the 12-month period commencing on

(Delete whichever is not applicable.)

4. The table below reflects the principles applied to the transfer and the rule(s) of the fund in terms of which the inclusion of the member surplus account and reserve accounts are based:

Account:	Principle applied (e.g. proportionate share):	In terms of Rule:
Investment reserve account:		
Member surplus account:		
Contingency reserve accounts: A B C		

Notes:

- *“Proportionate share” means that each transferring member will receive a proportion of the credit balance in the account in the ratio that his / her liability in respect of accrued service bears to all members’ liabilities in respect of accrued service at the effective date of the transfer.*
- *Where members will not receive such a proportionate share, this must be explained.*
- *In the case of a defined benefit fund, the investment reserve is deemed to be the solvency reserve that must include the difference between the fair value of the assets and the actuarial value of the assets. In the case of a defined contribution fund, the investment reserve is defined in the Act.*
- *Amounts stated in the table above must be stated as at the effective date of the transfer. Should accurate amounts only be available as at the previous valuation date of the fund, then approximate figures, with an explanation of the method used to determine these amounts, will suffice.*
- *The contingency reserve accounts stated in the table must be in terms of the rules of the fund.*

5. The assets to be transferred will be increased or decreased with fund return² from the effective date of the transfer to the date of final settlement.

OR

A fixed rate of interest is payable, in terms of rule of the transferor fund.

(Delete whichever is not applicable.)

6. Where housing loans are transferred, the details thereof, or the an explanation as to the extent and nature of the liability, are as follows:

.....
.....

Where housing loans cannot be transferred due to the impact of the National Credit Act, 2005, the board has resolved to deal with the housing loans as follows:

.....
.....

7. Where any enforceable court orders in respect of the members transferring form part of the liabilities transferred, the details are as follows:

.....
.....

CERTIFICATION BY THE TRANSFEROR FUND:

8. We, the board of the transferor fund, certify that:

8.1 the transfer values accord full recognition to the rights and reasonable benefit expectations of the transferring members;

² As defined in the Pension Funds Act, 1956 (“the Act”).

- 8.2 members will receive their accrued actuarial liability / share of fund determined in terms of the rules of the fund, together with such share of any credit balances in the member surplus account (where applicable) and reserve accounts (where applicable) in terms of section 15G of the Act, as outlined in paragraph 4, subject to minimum benefits in terms of sections 14A and 14B of the Act;
- 8.3 the rights and reasonable benefit expectations of the remaining members are not adversely affected;
- 8.4 the provisions of the rules of the transferor fund will be complied with;
- 8.5 the communication to the affected members will be adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer. (A copy of communication material is attached);
- 8.6 all members will be given at least 30 days to object to the scheme of transfer and all objections will be considered;
- 8.7 where the transfer will prejudice the transferring members, we certify that at least 75% of the affected members will agree to the transfer; and
- 8.8 no member will become entitled to a cash refund, except for payment of tax payable to SARS and except where housing loans granted by the transferor fund have been redeemed with appropriate payment of tax to SARS.
9. We, duly authorised by the board of the transferor fund, declare that the information in paragraphs 1 to 8 above is, to the best of our knowledge and belief, correct and complete.

CHAIRPERSON / AUTHORISED MEMBER OF THE BOARD	AUTHORISED MEMBER OF THE BOARD	PRINCIPAL OFFICER
FULL NAME IN PRINT	FULL NAME IN PRINT	FULL NAME IN PRINT
DATE	DATE	DATE

CERTIFICATION BY THE TRANSFeree FUND:

10. We, the board of the transferee fund, certify that:
- 10.1 the rights and reasonable benefit expectations of the existing members in the transferee fund will not be adversely affected;
 - 10.2 the benefits of the transferring members will be applied reasonably and equitably in the transferee fund;
 - 10.3 the provisions of the rules of the transferee fund will be complied with;
 - 10.4 the communication to the transferring members will be adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer; and
 - 10.5 the board applied its mind to the application of amounts to be transferred and resolved to apply the following principles in allocating these amounts:

Account:	Principle applied:	In terms of Rule:
Member share account:		
Investment reserve account:		
Member surplus account:		
Contingency reserve accounts: A B C		

11. We, duly authorised by the board of the transferee fund, declare that the information in paragraphs 2 and 10 above is, to the best of our knowledge and belief, correct and complete.

CHAIRPERSON / AUTHORISED MEMBER OF THE BOARD	AUTHORISED MEMBER OF THE BOARD	PRINCIPAL OFFICER
FULL NAME IN PRINT	FULL NAME IN PRINT	FULL NAME IN PRINT
DATE	DATE	DATE

FORM B1

SPECIAL REPORT OF A VALUATOR TO THE (TRANSFEROR FUND) (12/8/.....) IN TERMS OF SECTION 14 (1) (B) IN RESPECT OF THE TRANSFER OF MEMBERS FROM THE TRANSFEROR FUND TO THE (TRANSFeree FUND) (12/8/.....)

[To be completed by a valuator only where the transferor fund is not valuation exempt]

- 1. The transfer will not render the transferor fund unable to meet the requirements of the Pension Funds Act, 1956, or to remain in a sound financial condition.

OR

The transferor fund will cease to exist after the transfer has been effected.

(Delete whichever is not applicable.)

- 2. Basis and method used to calculate the transfer values (including provision for minimum benefits, such shares of the member surplus account, investment reserve account and the contingency reserve accounts as the board has deemed appropriate to be included):

.....
.....

Note:

Reference can be made to the rules of the fund and the most recent actuarial valuation report completed.

- 3. Where the transferor fund pays pensions from the fund, the fund's pension increase policy was given effect to as follows:

.....
.....

- 4. Where a valuation basis different to the one used in the last statutory actuarial valuation is applied, the reasons therefore and the effect thereof on the transfer values are as follows:

.....
.....

- 5. In my opinion, the transfer values and such shares of the member surplus account, investment reserve account and the contingency reserve accounts as have been included in the transfer, satisfy the rights and reasonable benefit expectations of the members, deferred pensioners, and pensioners transferred in respect of benefits arising from service prior to the effective date of transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the members, pensioners and deferred pensioners transferred are adversely affected:

.....
.....

- 6. In my opinion, the rights and reasonable benefit expectations of the remaining members, pensioners and deferred pensioners will not be prejudiced as a result of the transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the remaining members, pensioners or deferred pensioners are adversely affected:

.....
.....

- 7. The effect on the funding level of the transferor fund, before and after the transfer is as follows:

.....
.....

- 8. The impact of the inclusion in the transfer value of any share of the member surplus account, investment reserve account and any contingency reserve accounts on the members remaining in the transferor fund is as follows:

.....
.....

Note:

Where the valuator has prepared a report setting out the financial consequences expected as a result of the transfer, as would commonly be the case if a fund is being restructured, a copy of the report should be attached.

- 9. I, valuator to the transferor fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

DATE

FORM B2**SPECIAL REPORT OF THE VALUATOR TO THE (TRANSFEREE FUND) (12/8/.....) IN TERMS OF SECTION 14 (1) (B) IN RESPECT OF THE TRANSFER OF MEMBERS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE TRANSFEREE FUND**

[To be completed by a valuator only where the transferee fund is not valuation exempt]

1. The transfer will not render the transferee fund unable to meet the requirements of the Pension Funds Act, 1956 or to remain in a sound financial condition.

If not, the valuator must explain the effect of the transfer on the transferee fund and the steps that should be taken to attain a financially sound condition after the transfer:

.....

2. In my opinion, the transfer values have been applied in such a way as to give the transferring members full recognition for the amount transferred in:

2.1 the value of the benefits granted in terms of the rules of the transferee fund; and

2.2 the allocation of part of the transfer value to the member surplus account, investment reserve account and contingency reserve accounts in the transferee fund.

3. In my opinion, the rights and reasonable benefit expectations of the existing members, pensioners and deferred pensioners will not be prejudiced as a result of the transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the existing members, pensioners or deferred pensioners are adversely affected:

.....

Note:

The valuator should consider, amongst other matters, the expectations that the existing members, pensioners and deferred pensioners have in respect of the use of the member surplus account, investment reserve account, and contingency reserve accounts.

- 4. The effect on the funding level of the transferee fund, before and after the transfer is as follows:

.....
.....

- 5. Where the transferee fund pays pensions from the fund, the fund's pension increase policy was given effect to as follows:

.....
.....

- 6. I, valuator to the transferee fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

DATE

FORM B3**ANNEXURE IN RESPECT OF MEMBERS TRANSFERRED BETWEEN TWO FUNDS AS WAS PROSPECTIVELY GRANTED BY THE REGISTRAR**

[To be completed by the transferor fund and submitted within 2 months after the expiry of either the 12-month period or prospective effective date]

SECTION 14(1): SCHEME FOR THE TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE (TRANSFeree FUND) (12/8/.....)

[To be completed and signed by one of the following persons duly authorised by the board of the transferor fund: the chairperson, another member of the board or the principal officer of the fund]

Case number:		Effective date / 12-month period:	
--------------	--	-----------------------------------	--

1. The following transfers were effected:

Transfer Date	Number transferring:			Amount
	Active Members	Pensioners	Deferred Pensioners	
Total:				

2. The table below reflects the amounts relating to the transfers in terms of which the inclusion of the member surplus account and reserve accounts are based:

Account:	Account balance as at:		Amounts paid
	Start of transfer period	End of transfer period	
Investment reserve account:			
Member surplus account:			
Contingency reserve accounts:			
A			
B			
C			
Total:			

3. The members remaining in the transferor fund upon the completion of scheme of transfer is as follows:

Active members	
Pensioners	
Deferred pensioners	
Unclaimed benefits	
Total:	

4. All members were given at least 30 days to object to the scheme of transfer and all objections were considered:

Number received:	
------------------	--

% unresolved:	
---------------	--

5. I, duly authorised by the board of the transferor fund, declare that the information above and the forms hereto are, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

CAPACITY

DATE

FORM C

PURCHASE OF ANNUITY POLICIES IN THE NAMES OF PENSIONERS

SCHEME FOR THE PROPOSED TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO VARIOUS INSURERS FOR THE PURCHASE OF ANNUITIES IN RESPECT OF EXISTING PENSIONERS IN THE TRANSFEROR FUND OR THE CESSION OF ANNUITY POLICIES OWNED BY THE TRANSFEROR FUND TO PENSIONERS AS AT (insert effective date)

[To be completed and signed by duly authorised officials of both the transferor and transferee funds respectively (i.e. the chairperson, another member of the board and the principal officer of the fund)]

1. The purpose of the scheme and whether or not the transfer is based on any agreement (if based on agreement, a copy must be enclosed with the application):
.....
.....

2. The transfer will be effected in terms of the following rule(s):

3. Where the period over which pensioners may elect to transfer is within 12 months from the effective date, the transfer values must be quantified as at the effective date and adjusted only in respect of amounts paid subsequent to the effective date and their associated fund return.

4. For transfers where the number of pensioners transferring and the amounts to be transferred are known prior to applying in terms of section 14 of the Act, the associated accrued liabilities / share of fund and the effect of the transfer on the membership of the transferor fund at the effective date of the transfer are as follows:

	Number transferring:	Accrued liability / share of fund	Number remaining after the transfer:
Active members	n/a	n/a	
Pensioners			
Deferred pensioners	n/a	n/a	
Unclaimed benefits	n/a	n/a	
Total:			

5. Form G (suitably amended) will be completed where the actual transfer differs from the approved section 14 scheme due to the payment of death or pension benefits prior to the approval of the section 14 application. The fund will keep a copy of Form G on file and present it to the Registrar of Pension Funds upon request or inspection.

6. The table below reflects the amounts relating to the transfer and the rule(s) of the fund in terms of which the inclusion of the member surplus account and reserve accounts are based:

Account:	Balance prior to transfer:	Amount transferred:	In terms of Rule:
Investment reserve account:			
Member surplus account:			
Contingency reserve accounts: A B C			
Total:			

Notes:

- "Proportionate share" means that each transferring member will receive a proportion of the credit balance in the account in the ratio that his / her liability in respect of accrued service bears to all members' liabilities in respect of accrued service at the effective date of the transfer.
- Where members will not receive such a proportionate share, this must be explained.
- In the case of a defined benefit fund, the investment reserve is deemed to be the solvency reserve that must include the difference between the fair value of the assets and the actuarial value of the assets. In the case of a defined contribution fund, the investment reserve is defined in the Act.
- Amounts stated in the table above must be stated as at the effective date of the transfer. Should accurate amounts only be available as at the previous valuation date of the fund, then approximate figures, with an explanation of the method used to determine these amounts, will suffice.
- The contingency reserve accounts stated in the table must be in terms of the rules of the fund.

7. The total amount that will be transferred at the effective date is R, and this amount is constituted as follows:

	Rand
Members' Actuarial Values/Shares of Fund	
Surplus and Reserves	
Total	_____

8. The assets to be transferred will be increased or decreased with fund return³ from the effective date of the transfer to the date of final settlement.

OR

A fixed rate of interest is payable, in terms of rule of the transferor fund.

(Delete whichever is not applicable.)

9. Where housing loans are transferred, the details thereof, or the an explanation as to the extent and nature of the liability, are as follows:

.....

³ As defined in the Pension Funds Act, 1956 ("the Act").

Where housing loans cannot be transferred due to the impact of the National Credit Act, 2005, the board has resolved to deal with the housing loans as follows:

.....

.....

- 10. Where any enforceable court orders in respect of the pensioners transferring form part of the liabilities transferred, the details are as follows:
-
-

CERTIFICATION BY THE TRANSFEROR FUND:

- 11. We, the board of the transferor fund, certify that:

- 11.1 the transfer values accord full recognition to the rights and reasonable benefit expectations of the transferring pensioners;
- 11.2 pensioners will receive their accrued actuarial liability as determined in terms of the rules of the fund, together with such share of any credit balances in the member surplus account (where applicable) and reserve accounts (where applicable) in terms of section 15G of the Act, as outlined in paragraph 6, subject to minimum benefits in terms of sections 14A and 14B of the Act;
- 11.3 the rights and reasonable benefit expectations of the remaining members and pensioners are not adversely affected;
- 11.4 the provisions of the rules of the transferor fund have been complied with;
- 11.5 the communication to the affected pensioners was adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer. (A copy of communication material is attached);
- 11.6 all pensioners were given at least 30 days to object to the scheme of transfer and all objections were considered:

Number received:	
------------------	--

% unresolved:	
---------------	--

and, where the complaints were reasonable, the scheme of transfer was amended;

- 11.7 where the transfer will prejudice the transferring pensioners, we are satisfied that at least 75% of the affected pensioners have agreed to the transfer; and
- 11.8 no pensioner will become entitled to a cash refund.

12. We, duly authorised by the board of the transferor fund, declare that the information above is, to the best of our knowledge and belief, correct and complete.

CHAIRPERSON /
AUTHORISED MEMBER OF
THE BOARD

AUTHORISED MEMBER OF
THE BOARD

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

DATE

FORM C1

SPECIAL REPORT OF A VALUATOR TO THE (TRANSFEROR FUND) (12/8/.....) IN TERMS OF SECTION 14 (1) (B) IN RESPECT OF THE PURCHASE OF ANNUITIES IN RESPECT OF PENSIONERS BEING PAID UNDER THE TRANSFEROR FUND

- 1. The transfer will not render the transferor fund unable to meet the requirements of the Pension Funds Act, 1956, or to remain in a sound financial condition.

OR

The transferor fund will cease to exist after the transfer has been effected.

(Delete whichever is not applicable.)

- 2. Basis and method used to calculate the transfer values (including provision for minimum benefits, such shares of the member surplus account, investment reserve account and the contingency reserve accounts as the board has deemed appropriate to be included):

.....
.....

Note:

Reference can be made to the rules of the fund and the most recent actuarial valuation report completed.

- 3. Where the transferor fund pays pensions from the fund, the fund's pension increase policy was given effect to as follows:

.....
.....

- 4. Where a valuation basis different to the one used in the last statutory actuarial valuation is applied, the reasons therefore and the effect thereof on the transfer values are as follows:

.....
.....

- 5. In my opinion, the transfer values and such shares of the member surplus account, investment reserve account and the contingency reserve accounts as have been included in the transfer, satisfy the rights and reasonable benefit expectations of the members, deferred pensioners, and pensioners transferred in respect of benefits arising from service prior to the effective date of transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the members, pensioners and deferred pensioners transferred are adversely affected:

.....
.....

- 6. In my opinion, the rights and reasonable benefit expectations of the remaining members, pensioners and deferred pensioners will not be prejudiced as a result of the transfer.

If not, the valuator should explain why the rights and reasonable benefit expectations of the remaining members, pensioners or deferred pensioners are adversely affected:

.....

- 7. The effect on the funding level of the transferor fund, before and after the transfer is as follows:

.....

- 8. The impact of the inclusion in the transfer value of any share of the member surplus account, investment reserve account and any contingency reserve accounts on the members remaining in the transferor fund is as follows:

.....

Note:

Where the valuator has prepared a report setting out the financial consequences expected as a result of the transfer, as would commonly be the case if a fund is being restructured, a copy of the report should be attached.

- 9. I, valuator to the transferor fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

 SIGNATURE

 FULL NAME IN PRINT

 DATE

FORM C2**ANNEXURE IN RESPECT OF ANNUITY POLICIES PURCHASED IN THE NAMES OF PENSIONERS AS WAS PROSPECTIVELY GRANTED BY THE REGISTRAR**

[To be completed by the transferor fund and submitted within 2 months after the expiry of the 12-month period]

SECTION 14(1): SCHEME FOR THE TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO VARIOUS INSURERS FOR THE PURCHASE OF ANNUITIES IN RESPECT OF EXISTING PENSIONERS IN THE TRANSFEROR FUND OR THE CESSION OF ANNUITY POLICIES OWNED BY THE TRANSFEROR FUND TO PENSIONERS

[To be completed and signed by duly authorised officials of both the transferor and transferee funds respectively (i.e. the chairperson, another member of the board and the principal officer of the fund)]

Case number:		Effective date / 12-month period:	
--------------	--	-----------------------------------	--

1. The following pensioner transfers were effected:

Transfer Date	Pensioners	Amount
Total:		

2. The table below reflects the amounts relating to the pensioner transfers in terms of which the inclusion of the member surplus account and reserve accounts are based:

Account:	Account balance as at:		Amounts paid
	Start of transfer period	End of transfer period	
Investment reserve account:			
Member surplus account:			
Contingency reserve accounts:			
A			
B			
C			
Total:			

3. The membership remaining in the transferor fund upon the completion of scheme of transfer is as follows:

Active members	
Pensioners	
Deferred pensioners	
Unclaimed benefits	
Total:	

4. I, duly authorised by the board of the transferor fund, declare that the information above and the forms hereto are, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

CAPACITY

DATE

FORM D**DECLARATION IN PURCHASING AN INDIVIDUAL ANNUITY POLICY MADE BY A MEMBER OF THE (TRANSFEROR FUND) (12/8/.....)**

1. I, (*insert member's name*) hereby confirm that I have received written particulars of all expenses and commissions in respect of the compulsory annuity policy. These amount to R.....
2. The effect that it will have on my policy value has been duly explained to me and I declare that I am fully aware of the impact that the annuity policy will have on my benefits so transferred.
3. I hereby consent to such expenses and commissions and fully understand the effect thereof and hereby request that an annuity policy be purchased from (*insert name of registered long-term insurer*).

 MEMBER

 PRINCIPAL OFFICER OR DULY
 AUTHORISED MEMBER OF THE
 BOARD

 FULL NAME IN PRINT

 FULL NAME IN PRINT

 DATE

 DATE
Notes:

- *Form D must not be submitted to the Registrar in terms of a section 14 application.*
- *The transferor fund must retain a signed copy of Form D for each pensioner transferring.*

FORM E

APPLICATION FOR AN 'AGTERSKOT' TRANSFER IN RESPECT OF THE PREVIOUSLY APPROVED TRANSFER OF BUSINESS FROM (TRANSFEROR FUND) (12/8/.....) TO (TRANSFeree FUND) (12/8/.....)

[This form must be completed and signed by a valuator to the transferor fund, the principal officers of both funds as well as the chairpersons or duly authorised members of the boards of both funds]

- 1. The motivation for the application for the 'agterskot' adjustment is as follows:
.....
.....

Note:

Exactly the same number of members must be affected by the 'agterskot' adjustment and any differences must be justified.

- 2. Details of the 'agterskot' adjustment:

	Case number	Effective Date	Number of Members	Transfer Value
Original approved scheme				
Agterskot adjustment				

- 3. I confirm that the assets constituting the 'agterskot' adjustment will be applied in the same manner as the original scheme approved under case number (*insert case number*). The assets to be transferred will be increased or decreased with fund return from the effective date of transfer to the actual date of transfer.
- 4. I, valuator to the transferor fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE OF VALUATOR

FULL NAME IN PRINT

DATE

FOR THE TRANSFEROR FUND:

5. The board of the transferor fund hereby agrees to this transfer and certifies that the provisions of the rules of the fund have been complied with in effecting this transfer and that the transfer is made in terms of rule ... (*insert rule number*) of the rules of the fund. The board declares that the information in paragraphs 1 to 4 above is, to the best of its knowledge, correct and complete.

CHAIRPERSON / AUTHORISED
MEMBER OF THE BOARD

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

FOR THE TRANSFeree FUND

6. The board of the transferee fund hereby agrees to this transfer and certifies that the provisions of the rules of the fund have been complied with in effecting this transfer and that the transfer is made in terms of rule ... (*insert rule number*) of the rules of the fund. The board declares that the information in paragraphs 1 to 4 above is, to the best of its knowledge, correct and complete.

CHAIRPERSON / AUTHORISED
MEMBER OF THE BOARD

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

FORM F

APPLICATION TO DE-REGISTER (THE FUND) (12/8/.....)

[To be completed and signed by a duly authorised member of the board of the fund]

1. The board of the Fund has resolved that the Fund should be deregistered as the Fund will have no members, assets and liabilities after the transfer has been effected. A copy of the board resolution stating that fact is attached hereto.
2. A certificate from the valuator / principal officer / auditor of the Fund (*delete whichever is not applicable*) stating that the Fund has no members, assets and liabilities is also enclosed.
3. I, duly authorized member of the board of the Fund, declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

DATE

FORM F1**CERTIFICATE OF THE VALUATOR / PRINCIPAL OFFICER / AUDITOR OF THE
..... (FUND) (12/8/.....) IN RESPECT OF THE APPLICATION TO CANCEL
THE REGISTRATION THE FUND**

[To be completed and signed by a valuator, principal officer or auditor of the fund]

1. The Fund has no members, assets and liabilities.
2. I, valuator / principal officer / auditor of the Fund (*delete whichever is not applicable*), declare that the information above is, to the best of my knowledge and belief, correct and complete.

SIGNATURE

FULL NAME IN PRINT

DATE

FORM G**CERTIFICATE OF RECONCILIATION WITH RESPECT TO THE TRANSFER OF BUSINESS FROM (TRANSFEROR FUND) (12/8/.....) TO (TRANSFeree FUND) (12/8/.....)**

[This form is to be completed only in the event that the actual transfer differs from the approved section 14 scheme due to the payment of withdrawal, death or pension benefits prior to the approval of the section 14 scheme. Both funds must retain a signed copy on file and make it available to the Registrar upon request or inspection]

Case number:		Effective date:	
--------------	--	-----------------	--

1. We have examined the transfer of business from the transferor fund to the transferee fund as stated above. We certify that the actual transfer took in a manner that differs from the approved scheme with the details of the differences as follows:

		Date	Number of Members	Transfer Value
A	Original approved scheme			
B	Benefit payments made			
	Final values transferred (A – B)			

Notes:

- Only payments made during the period commencing with the submission of the section 14 application and terminating with the approval of the application can be included.
- Allow for fund return in the calculations.

2. We declare that the above information is, to the best of our knowledge, correct and complete.

FOR TRANSFEROR FUND:**FOR TRANSFEREE FUND:**

CHAIRPERSON / AUTHORISED
MEMBER OF THE BOARD

CHAIRPERSON / AUTHORISED
MEMBER OF THE BOARD

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

PRINCIPAL OFFICER

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

FORM H

SECTION 14(8): SCHEME FOR THE PROPOSED TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE (TRANSFeree FUND) (12/8/.....) AS AT (insert effective date)

[This form must be completed where the Registrar's approval is not required in terms of section 14(8) of the Act. A signed copy of the form must be kept on file by both the transferor and transferee funds and must be presented to the Registrar upon request or inspection. To be completed and signed by duly authorised officials of both the transferor and transferee funds respectively (i.e. the chairperson or another member of the board and the principal officer of the fund)]

- The purpose of the scheme and whether or not the transfer is based on any agreement (if based on agreement, a copy must be enclosed with the application):

.....

- The transfer will be effected in terms of the following rule(s):

Transferor Fund: <input style="width: 80%;" type="text"/>	Transferee Fund: <input style="width: 80%;" type="text"/>
---	---

- The associated share of fund in terms of the rules and the effect of the transfer on the membership of the transferor fund at the effective date of the transfer are as follows:

	Number transferring:	Share of fund:	Number remaining after the transfer:
Active members	<input type="text"/>	<input type="text"/>	<input type="text"/>
Pensioners	<input type="text"/>	<input type="text"/>	<input type="text"/>
Deferred pensioners	<input type="text"/>	<input type="text"/>	<input type="text"/>
Unclaimed benefits	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total:	<input type="text"/>	<input type="text"/>	<input type="text"/>

- The table below reflects the amounts relating to the transfer and the rule(s) of the fund in terms of which the inclusion of the member surplus account and reserve accounts are based:

Account:	Balance prior to transfer:	Amount transferred:	In terms of Rule:
Member surplus account:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Contingency reserve accounts:	<input type="text"/>	<input type="text"/>	<input type="text"/>
A	<input type="text"/>	<input type="text"/>	<input type="text"/>
B	<input type="text"/>	<input type="text"/>	<input type="text"/>
C	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total:	<input type="text"/>	<input type="text"/>	<input type="text"/>

Notes:

- "Proportionate share" means that each transferring member will receive a proportion of the credit balance in the account in the ratio that his / her liability in respect of accrued service bears to all members' liabilities in respect of accrued service at the effective date of the transfer.
- Where members will not receive such a proportionate share, this must be explained.
- In the case of a defined benefit fund, the investment reserve is deemed to be the solvency reserve that must include the difference between the fair value of the assets and the actuarial value of the assets. In the case of a defined contribution fund, the investment reserve is defined in the Act.
- Amounts stated in the table above must be stated as at the effective date of the transfer. Should accurate amounts only be available as at the previous valuation date of the fund, then approximate figures, with an explanation of the method used to determine these amounts, will suffice.
- The contingency reserve accounts stated in the table must be in terms of the rules of the fund.

5. The total amount that will be transferred at the effective date is R, and this amount is constituted as follows:

.....

6. The assets to be transferred will be increased or decreased with fund return⁴ from the effective date of the transfer to the date of final settlement.

OR

A fixed rate of interest is payable, in terms of rule of the transferor fund.

(delete whichever is not applicable.)

7. Where housing loans are transferred, the details thereof, or the an explanation as to the extent and nature of the liability, are as follows:

.....

Note:

The board must ensure that the requirements of the National Credit Act, 2005, have been fully complied with in as far as housing loans are concerned.

8. Where any enforceable court orders in respect of the members transferring form part of the liabilities transferred, the details are as follows:

.....

CERTIFICATION BY THE TRANSFEROR FUND:

9. We, the board of the transferor fund, certify that:

9.1 the transferor fund is valuation exempt and such exemption has been granted by the Registrar under case number ... (*insert case number*);

⁴ As defined in the Pension Funds Act, 1956 ("the Act").

- 9.2 the transfer values accord full recognition to the rights and reasonable benefit expectations of the transferring members;
- 9.3 the rights and reasonable benefit expectations of the remaining members are not adversely affected;
- 9.4 the provisions of the rules of the transferor fund have been complied with (this provision is not required where section 14(7) applies);
- 9.5 the communication to the affected members was adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer. Where there were objections, the board of the transferor fund has considered such objections and they were satisfactorily resolved. In the event that the transfer will have the effect of prejudicing the transferring members, explicit approval to transfer was received from at least 75% of the prejudiced members and such members were given at least 30 days to object to the transfer (this provision does not apply to voluntary individual transfers at the request of the member);
- 9.6 the assets and liabilities will be transferred within 180 days of the effective date of transfer;
- 9.7 the assets to be transferred will be increased or decreased with fund return from the effective date to the date of final settlement;
- 9.8 no member will become entitled to a cash refund, except for payment of tax payable to SARS and except where housing loans granted by the transferor fund have been redeemed with appropriate payment of tax to SARS;
- 9.9 the transferor fund will keep full records of this transfer and will present these to the Registrar upon request or inspection; and
- 9.10 where the transferor fund will cease to exist following this transfer, the transferor fund's surplus apportionment scheme was approved / the nil surplus scheme was noted (*delete whichever is not applicable*) by the Registrar under case number ... (*insert case number*) and the transferor fund apply for the cancellation of its registration within 180 days of the date of final settlement.
10. We, duly authorised by the board of the transferor fund, declare that the information in paragraphs 1 to 9 above is, to the best of our knowledge and belief, correct and complete. We undertake to duly complete and sign Form J in recognition of the transfer and refer it to the transferee fund within 14 working days of date of final settlement.

CHAIRPERSON / AUTHORISED
MEMBER OF THE BOARD

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

CERTIFICATION FOR THE TRANSFeree FUND:

11. We, the board of the transferee fund, certify that:
- 11.1 the transferee fund is valuation exempt and such exemption has been granted by the Registrar under case number ... (*insert case number*);
 - 11.2 the rights and reasonable benefit expectations of the existing members in the transferee fund are not adversely affected by this transfer;
 - 11.3 the benefits of the transferring members will be applied reasonably and equitably in the transferee fund;
 - 11.4 the provisions of the rules of the transferor fund have been complied with (this provision is not required where section 14(7) applies);
 - 11.5 the communication to the transferring members was adequate to enable them to make an informed decision as to whether or not to object to the scheme of transfer; and
 - 11.6 the transferee fund will keep full records of this transfer and will present them to the Registrar upon request or inspection.
12. We, duly authorised by the board of the transferee fund, declare that the information in paragraphs 2 and 11 above is, to the best of our knowledge and belief, correct and complete. We accept the transfer on the terms set out above and undertake to complete Form J upon receipt from the transferor fund and return a completed and duly signed copy within 14 working days of receipt thereof.

CHAIRPERSON / AUTHORISED
MEMBER OF THE BOARD

PRINCIPAL OFFICER

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

FORM J

SECTION 14(8): RECOGNITION OF TRANSFER

[To be completed by representatives of the transferor and the transferee fund once the transfer has taken place. This form must be kept on file by both funds and made available to the Registrar upon request or inspection.]

A FOR THE (insert name of the transferor fund) (12/8/.....)

1. The effective date of the transfer is (insert effective date) and the details of the transfer can be summarised as follows:

	Number transferring:	Share of fund
Active members		
Deferred pensioners		
Unclaimed benefits		
Total:		

2. The date of final settlement is ... (insert final settlement date) and the amount paid on this date is R

3. I certify that:

3.1 the transfer values were increased or decreased with fund return from the effective date of transfer to the date of final settlement; and

3.2 a duly completed and signed copy of this form will be forwarded to the transferee fund within 14 working days from the date of final settlement.

4. On behalf of the transferor fund:

Full name in print: _____

Designation: _____

Administrator / company: _____

Signature: _____

Date: _____

Telephone: _____

Fax: _____

E-mail: _____

B FOR THE (insert name of the transferee fund) (12/8/.....)⁵

5. Banking details of the transferee fund / receiving entity (*delete whichever is not applicable*) where the assets were deposited:

Account holder: _____
Name of bank _____
Branch name : _____
Branch code: _____
Reference number: _____
Amount: R _____
Date of deposit: _____

6. I certify that:

- 6.1 the transfer values will be applied in the manner specified in Form H of this transfer; and
- 6.2 a duly completed and signed copy of this form will be forwarded to the transferor fund within 14 working days from the date of receipt thereof.

7. On behalf of the transferee fund / receiving entity (*delete whichever is not applicable*):

Full name in print: _____
Designation: _____
Administrator / company: _____
Signature: _____
Date: _____
Telephone: _____
Fax: _____
E-mail: _____

⁵ Where the entity that takes transfer is not registered, or required to register, under the Pension Funds Act, 1956, this form must be completed by a duly authorised official of that entity.

FORM K

REQUEST FOR EXTENSION IN TERMS OF SECTION 33 OF THE ACT

SECTION 14(1): TRANSFER OF BUSINESS FROM THE (TRANSFEROR FUND) (12/8/.....) TO THE (TRANSFEEE FUND) (12/8/.....) AS AT (insert effective date)

[To be completed and signed by duly authorised officials of either the transferor or transferee fund (i.e. the principal officer of the fund and another member of the board). However if section 14(2)(b) applies, both funds must sign the form]

Date of request:		Effective date:	
------------------	--	-----------------	--

1. The details, where available, of the transfer can be summarised as follows:

	Number transferring:	Accrued liability / share of fund		Number remaining after the transfer:
Active members				
Pensioners				
Deferred pensioners				
Unclaimed benefits				
Total:				

2. The Fund is applying, in terms of section 33 of the Act, to extend the period indicated below: *(Please note that the Registrar requires the due date as well as the date until which extension is required.)*

Period	Section of the Act	Date on which period expired:	Extension date applied for
180-days	Section 14(1)(a)		
60-days [†]	Section 14(2)(b)		
180-days	Section 14(8)(b)(iii)		

3. Indicate the party responsible for the delay:

.....

4. Motivation for the extension request:

.....

[†] An application is required by both the transferor and the transferee fund in this case.

5. Declaration of no prejudice suffered:

.....
.....

6. Should the application be made in terms of section 33(2), kindly indicate the *special circumstances* relevant to this request:

.....
.....

ON BEHALF OF TRANSFEREE FUND:

PRINCIPAL OFFICER/AUTHORISED REPRESENTATIVE

MEMBER OF THE BOARD

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE

ON BEHALF OF TRANSFERROR FUND:

PRINCIPAL OFFICER/AUTHORISED REPRESENTATIVE

MEMBER OF THE BOARD

FULL NAME IN PRINT

FULL NAME IN PRINT

DATE

DATE