

OUR INDUSTRY IS CHANGING. ARE WE?

“Rights and obligations in an evolving Retirement Funds environment”

PENSION LAWYERS



A S S O C I A T I O N

THE 2006 PENSION LAWYERS ASSOCIATION CONFERENCE

5 - 7 MARCH 2006

SPIER, STELLENBOSCH, CAPE TOWN



GOVERNANCE IN SOUTH AFRICA

Jonathan Mort
Director – Employee Benefits
Edward Nathan (Proprietary) Limited

JONATHAN MORT, DIRECTOR, EDWARD NATHAN (PROPRIETARY) LIMITED

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A S S O C I A T I O N



TRUSTEE

- Solely responsible for fund operations
- Must be a natural person
- No qualifications, expertise or experience is necessary
- Must have equal representation on board unless exempted (retail funds, umbrella funds)

■ ROLE OF THE REGULATOR

- Pension Funds Act (PFA)
 - Cannot remove trustee
 - Can withdraw licence of administrator

- Financial Institutions (Protection of Funds) Act (FIA)
 - Can appoint curator on good cause shown
 - Can declare a method of conducting business “irregular or undesirable practice”
 - Can obtain High Court order to compel compliance with law or lawful request

- Inspection of FIA
 - Can investigate a fund

EXTRA DETAILS/INFO CAN GO HERE IF REQUIRED, OR DELETE IT.

TRUSTEES DUTIES

- Primarily in terms of FI Act and common law
- Fiduciary obligation
- Pension increase policy
- Investment policy statement
- Code of conduct

SERVICE PROVIDERS

- Actuaries
 - Registered as valuator under PFA
 - Professional conduct

- Administrator
 - Licensed under PFA
 - Subject to audit
 - Agreement restriction
 - Trust account
 - PI & PO cover

- Investment Adviser
 - Licensed under FAIS