

FSCA COMMUNICATION 42 OF 2024(RF)

Withdrawal of Financial Services Board Pension Fund Circular – PF No. 127

1. PURPOSE

The purpose of this Communication is to communicate the withdrawal of Financial Services Board Circular PF No.127.

2. INTRODUCTION

2.1 On 16 March 2007, the then Financial Services Board published Circular PF No.127 directed at all administrators, funds and insurers who underwrite pension funds, relating to surplus submissions in the case of:

- Section 14 transfers where a fund transferred all its assets, liabilities, and members in terms of section 14 of the Pension Funds Act, 1956 (Act No. 24 of 1956);
- funds that consist exclusively of unclaimed benefits¹;
- funds without a properly constituted board of management.

2.2 Circular PF No. 127 (Circular) provided for the categorisation of funds that had effectively ceased to exist for the purposes of surplus submissions. The Circular further provided clarity in respect of funds that would not be required to submit surplus apportionment schemes based on their classification at that point.

2.3 Lastly, with respect to funds without a properly constituted board of management, Circular PF No. 127 provided that the administrator must apply to the FSCA for the appointment of an authorised person(s) to act on behalf of the fund.

2.4 The Circular was intended to allow funds in the process of termination on 7 December 2001, with no remaining assets or liabilities, to not be required to perform the investigations and certifications required for a surplus apportionment scheme submission. This would have allowed these funds to complete their termination and deregistration process without delay at the time.

2.5 More than twenty years have passed since the Circular was published, and all funds that were in the process of termination on 7 December 2001 should have already cancelled their registration.

2.6 This Circular, therefore, no longer serves a purpose. Any such fund that has not completed the deregistration process should comply with the full requirements of the Pension Funds Act,1956, to ensure that any remaining assets and liabilities are handled fairly.

2.7 Therefore, the Circular is accordingly withdrawn.

¹ As defined in Circular PF 126.

3. AVAILABILITY OF THE LIST OF WITHDRAWN CIRCULARS AND ENQUIRIES

3.1 The list of Circulars that have been withdrawn, is available on the FSCA's website (<https://www.fsc.co.za>) under *Home > Regulatory Framework > Circulars > Retirement Funds > Withdrawn Information Circulars*

3.2 For more information regarding this Communication, please contact the FSCA Regulatory Framework Department by emailing Johann.Vanderlith@fsc.co.za

A handwritten signature in black ink, consisting of a stylized 'A' followed by a cursive 'LUDIN'.

**ASTRID LUDIN
DEPUTY COMMISSIONER
FINANCIAL SECTOR CONDUCT AUTHORITY**

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