

18 June 2015

TO: Principal Officers of all registered Pension Funds

CC: Chairperson: RFIN

DIRECTIVE: PI/PF/DIR/04/2015

EFFECTIVE DATE: 18 June 2015

**SUBJECT: REGISTRATION OF SPECIAL RULES IN RESPECT OF PARTICIPATING
EMPLOYERS UNDER UMBRELLA FUNDS**

1 Introduction

1.1 This Directive is issued by virtue of NAMFISA's functions and powers and those of its CEO in his capacity as the Registrar of Pension Funds in terms of the Namibia Financial Institutions Supervisory Authority Act, 2001 (Act No. 3 of 2001) ("the NAMFISA Act") and is applicable to all pension fund organizations registered under the Pension Funds Act, 1956 (Act No. 24 of 1956) ("the PF Act").

1.2 This Directive serves to instruct principal officers of all umbrella funds that have not submitted special rules in respect of participating employers under the said umbrella funds to submit same to the Registrar for registration under the PF Act within 90 calendar days from the date of the receipt of this Directive.

2 The current practice

The Registrar has observed that in some cases no special rules are registered under the PF Act in respect of participating employers under umbrella funds. This is due to the fact that some umbrella funds have not submitted special rules to the Registrar in respect of participating employers which have transferred from the transferor funds to the said umbrella funds for registration under the PF Act.



3 The law

Section 12(1) of the PF Act provides as follows:

"A registered fund may, in the manner directed by its rules, alter or rescind any rule or make any additional rule, but no such alteration, rescission or addition shall be valid-

(a) [...]

(b) unless it has been approved by the registrar and registered as provided in subsection (4)."

4 Conclusion

The transfer of business in respect of a participating employer as contemplated in section 14 of the PF Act necessitates the addition of special rules to the rules of the transferee umbrella fund. Therefore, special rules that are not approved and registered by the Registrar under the PF Act are invalid. The Registrar thus requires that special rules in respect of all participating employers under umbrella funds must be submitted to the Registrar for registration under the PF Act.

5 The Directive

All umbrella funds that have not submitted special rules in respect of participating employers under the said umbrella funds to the Registrar for registration under the PF Act are hereby directed to submit same to the Registrar within 90 calendar days from the date of the receipt of this Directive.

The Registrar therefore requires full cooperation and support in this process by all industry players and stakeholders at large.

Should you require more clarity on this Directive, kindly contact the Manager of the Pension Funds Department at telephone number 061-290 5000.



Phillip N. Shiimi
Registrar of Pension Funds