

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2465**

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**Dr D T George (DA) to ask the Minister of Finance:**

Whether he has taken any steps against administrators of retirement funds that have not submitted surplus apportionment schemes to the Financial Services Board to ensure their compliance; if not, why not; if so, what steps?

NW3035E

**REPLY:**

No, I have not, as the Minister is not empowered to do so in terms of any legislation. However, the Financial Services Board has advised me that the Registrar of Pension Funds regularly liaises with administrators of retirement funds to monitor the submission of surplus apportionment schemes, through the exchange of administrative information relating to apportionment schemes. The Registrar has taken this action despite the fact that the Pension Funds Act, No. 24 of 1956, does not empower the Registrar of Pension Funds to take any action against administrators of retirement funds, since the responsibility and duty to submit a surplus apportionment scheme rests with the board of management or trustees of a fund.

The Registrar estimates that there may be approximately 220 surplus apportionment schemes outstanding in relation to active funds (save for Bargaining Council Funds, which only became obliged to submit surplus apportionment schemes as a result of the 2007 amendment to the Act). The lack of interest and/or understanding from the funds seems to have caused delays in submitting their surplus apportionment schemes. In order to address this the Registrar is empowered to appoint a specialist *ad hoc* tribunal in terms of section 15K of the Act to act on behalf of the board of a fund in finalising its surplus apportionment scheme. To date, the FSB has appointed 274 tribunals.