

**SECOND SCHEDULE****(Regulation 4)**

The constitutive documents of a superannuation fund or retirement scheme shall provide for the following matters:

1. Name of fund/scheme.
2. Objects of fund/scheme for which it was established.
3. Effective date of fund/scheme.
4. Anniversary/Accounting date of the fund/scheme.
5. Composition of trustees: size and attributes (Sponsor, member nominated and pensioner) and organization (e.g. chairman, secretary, committees).
6. Appointment (nomination and election) and removal/resignation of trustees; the arrangement for filling vacancies.
7. Appointment of Chairman of participant's meetings.
8. Decision making - Board and committees.
9. Procedure at meetings.
10. Trustees' responsibility for the general management of the fund/scheme.
11. Name assets should be held in and custodian arrangements.
12. Mechanism for the payment of expenses and debts.
13. Investments - types to be made and allocation of investment earnings.
14. Method by which Constitutive Documents can be amended and the scope of the amendments.
15. Participants' meetings and the matters to be submitted thereto.
16. Duties and powers of trustees which should include -
  - (a) power to make decisions;
  - (b) power to make amendments to the Constitutive Documents;
  - (c) power to set agenda for meetings;
  - (d) power to set and amend policies and procedures;
  - (e) power to appoint, employ and remove agents and advisors;
  - (f) power to delegate functions to an agent;
  - (g) power to remunerate for services rendered to fund/scheme;
  - (h) power to take advice from advisors on relevant issues;
  - (i) power to make investments;
  - (j) power to collect and invest contributions;

- (k) power to pay benefits and expenses of the fund/scheme;
- (l) power to distribute assets in the event of the fund/scheme being fully or partially wound up;
- (m) power to increase pension benefits by class of pensioner/beneficiary;
- (n) duty to monitor and review the financial, actuarial, administrative position of the fund/scheme;
- (o) duty to monitor, review and supervise the performance of the fund/scheme agents/advisors as far as is prudent and reasonable;
- (p) duty to keep, maintain and safeguard (through backups etc.) documents and records;
- (q) duty to keep accurate accounts;
- (r) duty to disclose and provide information to members and the Commission;
- (s) duty to invest assets of the fund/scheme in a prudent manner;
- (t) duty to receive and record all income earned from the assets of the pension plan; and
- (u) duty to ensure any tax due or which has to be deducted from benefits or other amounts paid are reported to the Taxpayer Audit & Assessment Department.

17. Duties of the Sponsor, which include their agreement -

- (a) to provide and maintain information needed so that trustees, their agents and advisors can effectively carry out their duties;
- (b) to remit, in respect of a defined benefit plan, the sponsor's ordinary contributions in the amount as recommended by the actuary and in accordance with the timeframe which shall be specified in the Constitutive Documents;
- (c) to remit, in respect of a defined benefit plan, the sponsor's special contributions for the amortization of unfunded liabilities or solvency deficiencies in the amount and frequency as recommended by the actuary but which shall not be less frequently than quarterly;
- (d) to remit, in respect of a defined contribution plan, the sponsor's ordinary contributions in accordance with the timeframe which shall be specified in the Constitutive Documents, and which shall

be congruent with the Act and the regulations; and

- (e) deduct members' contributions and pay them over to the Investment Manager within the time prescribed.

18. Conditions of membership and eligibility rules.
19. Vesting criteria.
20. Contributions: the method of calculating ordinary contributions by the Sponsor(s) and active members, the frequency and date of payment of such contributions.
21. Retirement date(s) and age.
22. Benefits and rights that are to accrue upon termination of employment, termination of membership, retirement, death, disability, transfer method of determining benefits payable.
23. Actuarial valuations.
24. Method of allocating gains and losses.
25. Absence from service, rejoining service and secondment.
26. Portability of benefits and transfer values - method of receiving or transferring a member's accrued benefits from or to another fund/scheme.
27. Forms of pension (default and optional).
28. Method of annuitization.
29. Pension increases.
30. Full termination/winding up of the fund/scheme - circumstances in which the fund/scheme can be wound-up and the method by which the surplus is to be allocated consequent on such winding-up.
31. Partial termination of the fund/scheme.
32. The treatment of surplus during the existence of the fund/scheme or on partial winding up; and
33. Particulars of any predecessor funds/schemes under which members may be entitled to benefits.

The Constitutive Documents of fund/scheme may also address the following -

- (a) Closure of fund/scheme to new members;
- (b) Sale, bankruptcy, liquidation of Sponsor(s);
- (c) Amalgamation, reconstruction of Sponsor(s); and
- (d) Consolidation and separation of funds or schemes.