



**FINANCIAL SERVICES AUTHORITY
SAINT VINCENT & THE GRENADINES**

GUIDANCE NOTE: NO. 4

**Registration of a
Private Pension Plan and a Pension Plan Amendment**

Issued: September 12, 2016

INTRODUCTION

The regulation and supervision of non-banking financial services in St. Vincent and the Grenadines including pension plan services, is exercised by the Financial Services Authority ('FSA' / 'Authority'), under the authority of the FSA Act, No. 33 of 2011.

The conduct of pension plan services in St. Vincent & the Grenadines is regulated under the *Insurance Act*, Chapter 306 of the Laws of Saint Vincent and the Grenadines, Revised Edition 2009 ("the Act").

PURPOSE

The purpose of these Guidelines is to provide an overview of the process for registering a private pension plan and a pension plan amendment.

SCOPE OF APPLICATION

These Guidelines apply to privately administered pension fund plans, whether administered by individual trustees or by trust corporations.

LEGAL PROVISIONS

The requirements for registering a pension plan are set out in section 173 of the Act.

QUALIFICATIONS FOR REGISTRATION

A Private Pension Plan qualifies for registration if it establishes a fund under trusts that are subject to the laws in effect in St. Vincent and the Grenadines, in connection with an undertaking or combination of undertakings (meaning a Company and its sub-companies), if the main purpose of that fund is:

- To make superannuation allowances on retirement to persons employed in the Company;
- To make provision of pension to spouses of employees, and periodical allowances for children of employees; and
- To make the assurance of capital sums on the death of employees.

REGISTRATION PROCESS FOR A PENSION PLAN

An Application for the registration of a Pension Plan must be addressed to the FSA and must:

- (a) be on the form approved by the FSA;
- (b) be signed by the Trustees of the Plan;
- (c) specify the address at which communications concerning the Plan will be received (i.e. address of the plan); and
- (d) be accompanied by
 - (i) a copy of the trust deed;
 - (ii) a copy of the rules of the Plan;

- (iii) a copy of the actuarial report on which the Plan is based;
- (iv) a list of names and addresses of the trustees of the Plan
- (v) (in the case of an insured plan) a copy of the policy of insurance related to benefits provided by the Plan; and
- (vi) any other documents or further information that may be required by the FSA.

REQUIREMENTS OF TRUST DEED AND RULES OF REGISTERED PENSION PLANS

The Trust Deed and the Rules of the Pension Plan must make provisions for the following matters:

- (a) the whole of the objects for which the plan is established;
- (b) the appointment and removal of Trustees;
- (c) the vesting in the Trustees of all property belonging to the Plan;
- (d) all capital monies belonging to the plan must be held in the names of the trustees and the trustee may invest the monies or deposit it with a bank;
- (e) the making of contributions to the Plan by the employers of the company for which the Plan is established;
- (f) the contributions payable to and the rates of benefits payable from the fund or the method of calculating benefits payable;
- (g) the conditions on which persons may become and may cease to be contributors to and be entitled to benefits from the fund;
- (h) the protection of the vested rights of contributors to the Plan;
- (i) the preparation of all statements of accounts, balance sheets and reports required by the Act;
- (j) the provision (on demand) to every person having any rights in the Plan, that is, an employee of a copy of the rules of the Plan and of all amendments to the Plan, and of the latest statements of accounts, balance-sheet and actuarial report prepared in accordance with the requirements of the Act;
- (k) the circumstances in which the Plan may be wound up and in the event of a winding-up, the application of any surplus in the fund;
- (l) the method by which the rules may be amended.

AMENDMENTS

The process for registering a Pension Plan Amendment is similar to the process for registering a Pension Plan.

In order for the following changes to take effect the Trustee must apply for the registration of the amendment of the registered plan within twenty-one (21) days of the amendment. The following would constitute as an amendment:

- (a) change in the Trust Deed and/or the Rules of a registered Plan;
- (b) change in address of the registered Plan; and
- (c) change in the names and/or addresses of the trustees of the registered Plan.

An application for the registration of a Pension Plan Amendment must be addressed to the FSA and must be:

- (a) on the form approved by the FSA;
- (b) signed by at least two of the trustees of the plan; and
- (c) accompanied by:
 - (i) in the case of an amendment, by a copy of the amendment signed by at least two of the trustees; or
 - (ii) in the case of a change, by the particulars necessary for the correction of the records.

Any amendment to the Trust Deed or the Rules, or both, of a registered pension plan, must be registered in order to be considered valid.

FEES

To register a Private Pension plan with the FSA, there is a one-time (non-refundable) registration fee of EC\$1,000.00.

The registration fee for an amendment/change to a registered Private Pension Plan is EC\$100.00.

COMMENCEMENT

This Guidance Note shall come into effect this **12th day of September, 2016.**

Issued by:

Financial Services Authority
P.O Box 356,
Kingstown,
St. Vincent & the Grenadines
Tel (784) 456-2577
Fax (784) 457-2568
E-mail: info@svgfsa.com