



**NOTICE REGARDING THE PUBLICATION OF THE DRAFT CONDUCT STANDARD \* OF 2019 (PFA)**

**MINIMUM SKILLS AND TRAINING REQUIREMENTS FOR BOARD MEMBERS OF PENSION FUNDS**

**PENSION FUNDS ACT NO. 25 of 1956**

**FINANCIAL SECTOR REGULATION ACT, 2017**

The Financial Sector Conduct Authority (Authority) hereby gives notice of the release of the draft Conduct Standard prescribing the minimum skills and training requirements for board members of pension funds under section 7A(3)(a) of the Pension Funds Act, 1956 (Act No. 24 of 1956), read with section 106(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), for public comment in terms of section 98(1)(a)(iv) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), as set out in the Schedule.

This Notice including the draft Conduct Standard in the Schedule, together with a statement supporting the draft Conduct Standard is available on the Authority's website at <https://www.fsca.co.za>.

All interested persons are invited to make written submissions on the draft Conduct Standard to the Authority, using the comments template available on the Authority's website, on or before 04 July 2019 at [MinimumSkillsandTraining@fsca.co.za](mailto:MinimumSkillsandTraining@fsca.co.za).

**ABEL MOFFAT SITHOLE**

**For the Transitional Management Committee**

**FINANCIAL SECTOR CONDUCT AUTHORITY**

## **SCHEDULE**

### **DRAFT CONDUCT STANDARD \* OF 2019 (PFA) PENSION FUNDS ACT, NO. 24 OF 1956**

#### **MINIMUM SKILLS AND TRAINING REQUIREMENTS FOR BOARD MEMBERS OF PENSION FUNDS**

##### **1. Definitions**

In this Schedule, “the Act” means the Pension Funds Act, 1956 (Act No. 24 of 1956), and any word or expression to which a meaning is assigned in the Act bears the meaning so assigned to it, and unless the context indicates otherwise-

“**Authority**” means the Financial Sector Conduct Authority established in terms of section 56 of the Financial Sector Regulation Act;

“**Financial Sector Regulation Act**” means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017); and

“**Trustee Toolkit**” means the Trustee Toolkit facility provided for by the Authority on the following website: [www.trusteetoolkit.co.za](http://www.trusteetoolkit.co.za).

##### **2. Purpose**

The purpose of this Conduct Standard is to prescribe the skills and training that a board member must attain after appointment as contemplated in section 7A(3)(a) of the Act.

##### **3. Prescribed requirement**

A board member contemplated in section 7A(3)(a) of the Act must attain the certification of the Trustee Toolkit within a period of six months from the date of appointment to the board, in addition to further skills and training from credible providers as deemed necessary by the board.

#### **4. Assessment**

(1) A board member must-

- (a) complete the Trustee Toolkit tutorials, case studies and formative (initial) assessments on the following website: [www.trusteetoolkit.co.za](http://www.trusteetoolkit.co.za); and
- (b) complete the Trustee Toolkit summative (final) assessment under the supervision of the principal officer or chairperson of the board, who must ensure that the relevant board member completes the assessment without assistance.

(2) When the Trustee Toolkit is amended by the Authority, a board member must complete the additional prescribed modules under the supervision of the principal officer or the chairperson of the board.

#### **5. Record of compliance**

A record of successful certifications of the Trustee Toolkit and additional modules will be maintained by the Authority for monitoring purposes.

#### **6. Short title, commencement and transitional arrangements**

(1) This Conduct Standard is called the Conduct Standard for determining the minimum skills and training requirements for board members of pension funds.

(2) This Conduct Standard becomes effective on 1 January 2020.

(3) A board member who was appointed before 1 January 2020 must complete the Trustee Toolkit by 30 June 2020.

(4) A board member who attained the certification of the Trustee Toolkit before 1 January 2020 is not required to complete the certification again.

(5) A person who has attained the certification of the Trustee Toolkit and is subsequently appointed to a board of a fund is not required to complete the certification again.