



**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 **12<sup>th</sup> day of September, 2016.**

#### **Issued by:**

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