

NATIONAL PENSIONS REGULATORY AUTHORITY



NPRA/GD/TPFA/01/14

TEMPORARY PENSION FUND ACCOUNT (TPFA) GUIDELINES ON TRANSFER OF FUNDS

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1. INTRODUCTION

- 1.1. The purpose of these Guidelines are to provide the basic procedures for the Transfer of 2nd Tier funds in the Temporary Pension Fund Account (TPFA) to respective Custodians (Banks) of registered Occupational Pension Schemes administered by Approved Trustees, pursuant to the provisions under Section 218 (4) of the *National Pensions Act, 2008 (Act 766)*, hereinafter referred to as the Act.
- 1.2. In developing these Guidelines, the National Pensions Regulatory Authority (NPRA), hereinafter referred to as the Authority, has provided the minimum requirements to assist Employers and their Trustees to make a request for the transfer of employees' accrued 5% contributions plus interest earned from the TPFA and ensure that 2nd Tier contributions are managed under duly registered Occupational Pension Schemes administered by Approved Trustees.
- 1.3. These Guidelines are not exhaustive and is subject to change by the Authority. In this regard, reference should be made to the Act and the accompanying Regulations; *Occupational and Personal Pension Schemes (General) Regulations, 2011 (L.I. 1990)*.

2. DEFINITIONS

Unless stated otherwise:

“ACTIVE Employee” is an employee on the payroll of his/her employer and for whom contributions have been made by the employer for the latest month as verified by employer's remittance statement with payment for that month.

“ACTIVE Employer” is an employer who is duly registered under the Tier-2 scheme and has paid employees monthly contributions to date.

“Corporate Trustee” means a company which has been duly licensed and approved by NPRA to act as a Trustee.

“Custodian” means a bank registered by NPRA to keep custody of pension fund assets.

“TPFA” means the Temporary Pension Fund Account opened by the Authority at the Bank of Ghana as part of the transitional arrangements to receive 5% 2nd Tier contributions from employers on behalf of their employees.

“**2nd Tier Funds**” refer to the five percent (5%) monthly contributions paid into the TPFA at the Bank of Ghana by employers.

3. ELIGIBILITY

- 3.1. Licensed and Approved Trustees shall request for the transfer of 2nd Tier funds on behalf of employers under their respective Occupational Pension Schemes by completing and submitting a request form (Form No: **NPRA/FM/TPFA/RF/01/14**) issued by the Authority.
- 3.2. A request for transfer of accrued contributions in TPFA (2nd Tier funds) shall be made to the Authority by Approved Trustees of:
 - (a) an Employer Sponsored Scheme (ESS); or
 - (b) a Master Trust Scheme (MTS).
- 3.3. For Employer Sponsored Schemes, such a request shall be endorsed by:
 - (a) The Board Chairman and;
 - (b) The Independent Trustee of the Scheme in question.
- 3.4. For a Master Trust Schemes, such a request shall be endorsed by:
 - (a) one Member Nominated Trustee (Director) ; an Independent Trustee (Director); and
 - (b) the CEO of the Corporate Trustee

4. SCOPE OF TRANSFER ACTIVITY

- 4.1 The transfer of 2nd Tier Funds shall be done per employer under a registered scheme.
- 4.2 The funds to be transferred would comprise 5% 2nd Tier Contributions paid from January, 2010 to December, 2013 contribution months plus interest earned per (**ACTIVE**) employer for its current (**ACTIVE**) employees, excluding resigned, retired and deceased members.

5. ROLES AND RESPONSIBILITIES

- 5.1. The **Authority** shall coordinate all activities of the Transfer of Funds from the TPFA (for both private and public sector) to registered schemes under the administration of licensed Trustees.

5.2 An **Approved Trustee** of a registered Occupational Pension Scheme (2nd Tier Scheme) shall:

- (a) Download and complete the **TPFA Transfer Data Validation Form (NPRA/FM/TPFA/DV/01/14)** issued by the Authority from the NPRA web site (www.npra.gov.gh) (*Taking full cognisance and duly completing the **checklist** at Section III of the Form*)
- (b) Compile the list of current (**ACTIVE**) Employees per **ACTIVE** Employer and per Scheme (batch 01) as at the cut-off date, in a format prescribed by the Authority (*indicated in the TPFA Data Validation Form*).
- (c) Submit the completed TPFA Data Validation Form and list of current (**ACTIVE**) employees per **ACTIVE** employer per scheme to the Authority via email or hand delivery and await the Authority's response on validated data for actual transfer request.
- (d) Upon receipt of the valid data report, download and complete the **TPFA Transfer Request Form (NPRA/FM/TPFA/RF/01/14)** issued by the Authority from NPRA website.
- (e) Obtain completed "**Attestation Form - (NPRA/FM/TPFA/ATT/01/14)**" from the Custodian (Bank) of the registered 2nd Tier Scheme to confirm their association with the scheme in question.
- (f) Submit the completed TPFA Transfer Request Form and Attestation Form to the Authority via hand delivery.
- (g) Upon receipt of the validated data, review the data with invalid SSNIT Employer Enrolment Number (EERNO)s and Social Security Number (SSNO)s for correction and resubmit for a second batch (02) of the scheme for data validation.
- (h) Repeat steps (c) to (g) for each batch until contributions of all the members of the Scheme are transferred.
- (i) Distribute contribution statements on TPFA transfer to employer(s) and advice employers to collate any discrepancies and report to the Trustee.
- (j) Report any discrepancies received from members to the Authority.

- 5.3 The **Fund Administrator** for the TPFA shall be responsible for processing requests from the Authority and generating reports per employer and per scheme to the Authority for further action.
- 5.4 The **Bank of Ghana** acting as the Custodian of the TPFA shall be responsible for the transfer of funds from the TPFA to the Custodian (Bank) Accounts of an Occupational Pension Scheme based on a request by the Authority.
- 5.5 A **Custodian (Bank)** associated with an Occupational Pension Scheme shall be responsible for endorsing **TPFA Bank Transfer Notification Form** in duplicate after receiving funds from the TPFA for each scheme and notifying NPRA within 24 hours.

6. REVIEW AND ENQUIRIES

These Guidelines shall be subject to review by the Authority. All Enquiries about these Guidelines shall be directed to the:

***Chief Executive Officer,
National Pensions Regulatory Authority,
PMB, Ministries, Accra.***

Website: www.npra.gov.gh ***Email:*** info@npra.gov.gh ***Telephone:*** 0302 - 968692 / 968693

Location: Onwona House, Kanda Highway, opposite Accra High School.