

Claim submission options and requirements

Practice Note 8 - June 2008

Withdrawn in March 2020



Introduction

The Operations & Administration division (O&A) issue practice notes to:

- Increase awareness and provide insight into the best practices and procedures adopted by Alexforbes for the effective administration of your fund
- Clarify our administration role
- Align expectation between Alexforbes, trustees, employers and members of the retirement funds.

Please note that in an event of a conflict, the fund's rules, applicable legislation or the signed service level agreement will take precedence over the processes set out in this practice note.

In this issue, we highlight the effect of the Default Regulations and the effect this has on your retirement fund in relation to the newly introduced paid-up members.

Default Regulations – Regulations 37 to 39 of the Pension Funds Act

Background

The final default regulation under the Pension Funds Act took effect on 1 September 2019. All new default arrangements that come into operation on 1 September 2019 must comply with the regulations. Existing default arrangements must be updated by 1 March 2020.

A few funds have already changed their rules to cater for default regulations, whereas other funds still need to align their rules with effect from 1 March 2020. This

practice note deals with the administration process regarding default regulations. Note that paid-up members are referred to in this practice note as 'paid-up members'.

When a member leaves their employer (other than through death and retirement), the fund would automatically become a preserved member in the fund by not completing a withdrawal notification form or not making an election on how the withdrawal benefit must be paid out.