

## **FSCA COMMUNICATION 24 OF 2024 (RF)**

### **Extension of submission period for rule amendments giving effect to the Two-Component System**

#### **1. PURPOSE**

The purpose of this communication is to inform stakeholders that the Financial Sector Conduct Authority (FSCA) has extended the submission date for rule amendments giving effect to the Two-Component System in terms of the Revenue Laws Amendment Act, 2024 and the Pension funds Amendment Bill, 2024 as explained below.

#### **2. BACKGROUND**

- 2.1 On 30 April 2024 the FSCA published FSCA Communication 16 of 2024 (RF)<sup>1</sup> published which required funds and/or administrators to commence submitting two-component rule amendments from 2 May 2024 until 15 July 2024. This was intended to enable the FSCA Retirement Fund Reviews and Authorisations department to prioritise and process the two-component rule amendments on a first-come-first-serve basis and approve them timeously before 1 September 2024.

#### **3. EXTENSION OF DEADLINE FOR SUBMISSION**

- 3.1 To date, only 30% of the anticipated submissions have been received. Funds and administrators although willing to submit rule amendments to give effect to the two-component system, raised challenges being experienced relating to board meetings, amongst others.
- 3.2 Having considered some of the challenges raised by the industry, the FSCA has reconsidered the submission period. Accordingly, the FSCA is committed to still prioritising and processing submissions that will be received via the FSCA retirement online system on or before **31 July 2024**.

#### **4. SUBMISSIONS AFTER 31 JULY 2024**

The following shall apply after 31 July 2024:

- 4.1 Amendments lodged after that date will not be prioritised but will be dealt with in the normal course of our operations in terms of the current Service Level Commitment.
- 4.2 Amendments remain invalid unless registered and therefore funds/administrators may not act in terms of such as per section 12(1)(b) of the Pension Funds Act, No. 24 of 1956.
- 4.3 Funds/administrators will take responsibility for any consequences resulting from non-compliance with the legislative changes.
- 4.4 Should paragraph 4.2 above apply, a communication must be sent to members explaining why they may not be allowed access to their benefits, contrary to legislation.

---

<sup>1</sup> Available on the FSCA website under regulatory Framework > Industry communication > Retirement Funds > FSCA Communications or by clicking on the following link:  
[https://www.fsc.co.za/Regulatory%20Frameworks/Regulatory%20Documents/FSCA%20Communication%2016%20of%202024%20\(RF\).pdf](https://www.fsc.co.za/Regulatory%20Frameworks/Regulatory%20Documents/FSCA%20Communication%2016%20of%202024%20(RF).pdf)

## 5. ENQUIRIES

For further information regarding this Communication please contact the FSCA by emailing Ms. Fikile Mosoma at [Fikile.Mosoma@fsc.co.za](mailto:Fikile.Mosoma@fsc.co.za).



ASTRID LUDIN  
DEPUTY COMMISSIONER  
FINANCIAL SECTOR CONDUCT AUTHORITY

Date: 19 July 2024