

FSCA COMMUNICATION 33 OF 2024 (RF)

Request for information on administration fees relating to the Two-Component system

1. PURPOSE

The purpose of this communication is –

- (a) to inform stakeholders that the Financial Sector Conduct Authority (FSCA) today published FSCA Information Request 2 of 2024 (RF) alongside this communication; and
- (b) explain the need for the information requested.

2. BACKGROUND

- 2.1 On 23 August 2024 the President of the Republic of South Africa assented to the Pension Funds Amendment Act, 2024 (Act No. 31 of 2024). This Act gives effect to the Two-Component system from 1 September 2024.
- 2.2 As such boards of retirement funds have a duty to ensure that the interests of all members are protected and must ensure that any and all fees charged for the purposes of withdrawals under the Two-Component system are reasonable.
- 2.3 This Information Request is to ascertain details on the administrative fees or charges that a member withdrawing from the savings component will incur and the fees attendant to the two-component system, and how the fees will be calculated by administrators and self-administrated funds. It is the FSCA's intention to publish a report of its findings following obtaining the requested information.

3. GUIDANCE ON COMPLETION AND SUBMISSION OF REQUESTED INFORMATION

- 3.1 Administrators are requested to complete the questionnaire in Annexure A published alongside the Information Request and to send the completed questionnaire via email to twopotfeequestionnaireadministrator@fsca.co.za for the attention of Ms Corlia Buitendag.
- 3.2 Administrators must submit the requested information by no later than **30 September 2024**.

4. ENQUIRIES

For further information regarding this Communication or the Information Request, please contact Corlia Buitendag at Cornelia.Buitendag@fsca.co.za.



ASTRID LUDIN
DEPUTY COMMISSIONER

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