

LEGAL NOTICE NO. 163

THE RETIREMENT BENEFITS ACT

(No. 3 of 1997)

IN EXERCISE of the powers conferred by section 55 of the Retirement Benefits Act, 1997, the Cabinet Secretary for the National Treasury and Planning makes the following Regulations—

THE RETIREMENT BENEFITS (INDIVIDUAL RETIREMENT BENEFITS SCHEMES) (AMENDMENT) REGULATIONS, 2021

1. These Regulations may be cited as the Retirement Benefits (Individual Retirement Benefits Schemes) (Amendment) Regulations, 2021.

Citation.

2. Regulation 7 of the Retirement Benefits (Individual Retirement Benefits Schemes) Regulations, 2000, hereinafter referred to as the “principal Regulations”, is amended by deleting paragraph (j) and substituting therefor the following new paragraph—

L.N. 118/2000.

(j) immediate vesting of contributions.

3. Regulation 9 of the principal Regulations is amended by inserting the following paragraph immediately after paragraph (4)—

(4A) A trust corporation shall not appoint an administrator, fund manager, custodian or approved issuer who is related to the trust corporation by way of ownership, directorship or employment.

4. Regulation 16 of the principal Regulation is amended in paragraph (2) by deleting subparagraph (a) and substituting therefor the following new subparagraph—

(a) where a member of an occupational retirement benefits scheme leaves employment before attaining the specified retirement age and transfers his accrued retirement benefits to an individual retirement benefits scheme, that member may opt for payment of not more than fifty per cent of his total accrued benefits and the investment income that has accrued in respect of those contributions.

5. The principal Regulations are amended by deleting regulation 17 and substituting therefor the following new regulation—

17. The scheme rules shall provide that—

(a) where an employer makes contributions on behalf of an employee, the benefits shall vest immediately;

Access to pension benefits.

- (b) where the employee leaves employment before attaining the retirement age, that employee shall not be entitled to more than fifty per cent of his total accrued benefits and the investment income that has accrued in respect of those contributions; and
- (c) where a member makes his own contributions to the scheme, the member may opt for payment of the member's total accrued benefits and the investment income that accrued in respect of those contributions.

Made on the 12th July, 2021.

UKUR YATANI,  
*Cabinet Secretary for the National Treasury and Planning.*