

member alert



Employee Benefits

November 2006

PENSION FUNDS ADJUDICATOR

If you are unable to resolve a dispute with the fund, the Pension Funds Adjudicator may be able to help you.

The office of the Pension Funds Adjudicator was established on 1 January 1998 in order to investigate and make decisions on complaints lodged in terms of the Pension Funds Act 24 of 1956. In the Act “pension fund” includes a provident fund, retirement annuity fund and preservation fund.

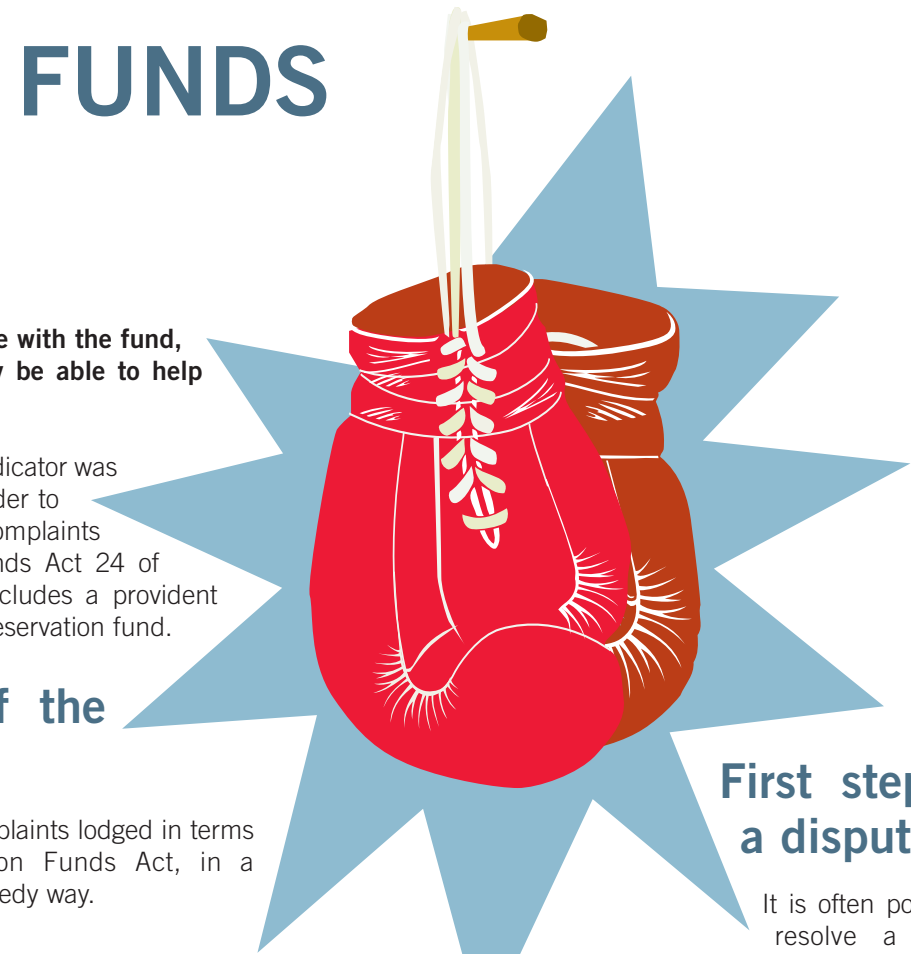
What is the role of the Adjudicator?

The Adjudicator must decide on complaints lodged in terms of section 30A (3) of the Pension Funds Act, in a procedurally fair, economical and speedy way.

Who can lodge a complaint with the Adjudicator?

A complainant must be a member or former member of a pension fund, a beneficiary or former beneficiary of a fund, or an employer who participates in a fund. In addition, the board of management of a fund, or a member of the board, can also lodge a complaint.

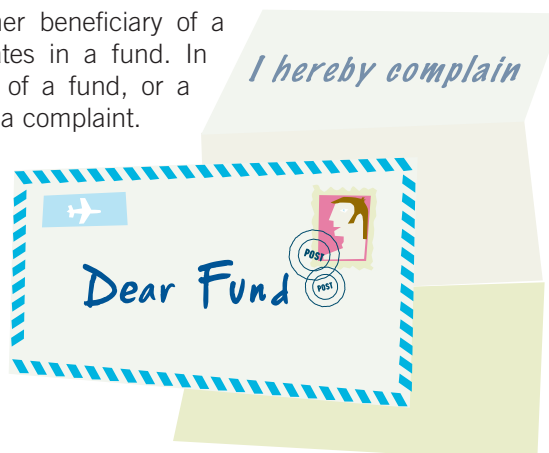
The Pension Funds Adjudicator does not have jurisdiction over funds to which the State contributes financially, such as the Government Employees Pension Funds, the social assistance pension scheme and the AIPF (full name?).



First steps in a dispute

It is often possible to resolve a dispute amicably without involving the Pension Funds Adjudicator. In fact, you have a right in terms of the Pension Funds Act to lodge a written complaint with a fund or an employer who participates in a fund. You should therefore do the following:

1. Lodge a written complaint with your fund or employer.
2. Give them 30 days to respond in writing.
3. If the fund does not respond or you are not satisfied with the response, you may lodge your complaint, in writing, with the Adjudicator.



How to lodge a complaint with the Adjudicator

Your complaint must be submitted to the Adjudicator in writing. Telephonic complaints are not accepted. The Pension Funds Adjudicator will investigate cases concerning the administration of the fund, the investment of the fund's money, or the interpretation and application of the fund's rules.

Your complaint should therefore claim one or more of the following:

- that the fund has made a decision outside its powers
- that you have been prejudiced as a result of maladministration by the fund
- that a dispute of a fact or law has arisen in relation to a fund, between the fund or any person and yourself; or
- that an employer who participates in the fund has not fulfilled its duties in terms of the rules of the fund.

Time limit for lodging complaints

In terms of the Pension Funds Act, you have three years from the date on which the act or omission was committed to submit a complaint in writing to the Adjudicator.

However, the Pension Funds Adjudicator may waive or extend this period if good reasons to do so can be shown. Alternatively, if you had been unaware of the occurrence of the act or omission, the period of three years will start on the date on

which you became aware or should reasonably have become aware, whichever occurs first.



What information to submit to the Adjudicator

Your written complaint should contain the following information so that the Pension Funds Adjudicator has a clear picture of the parties involved and what is at stake. Remember, the Pension Funds Adjudicator knows nothing about you or the fund or employer other than what you tell him or her in your complaint. Therefore, include the following information:

- Your full personal and contact details
- Full contact details of the fund and the employer
- The history of your employment and membership of the fund concerned
- The details of the complaint (make sure that it falls within the powers of the Pension Funds Adjudicator)
- Proof that the complaint was submitted to the fund
- The reply from the fund, if any, as well as all relevant correspondence
- Full particulars of the relief you want the Pension Funds Adjudicator to order

The Adjudicator will then ask the fund or employer to respond to the complaint, following which a decision will be made. It is important to note that all parties involved will have six weeks in which to appeal against the Adjudicator's decision. Thereafter, the decision is binding.

Complaints can be submitted to:

The Pension Funds Adjudicator
P O Box 23005
Claremont 7735
Tel: (021) 674 0209
Fax: (021) 674 0185
E-mail: enquiries@pfa.org.za
Website: www.pfa.org.za

Disclaimer

Sanlam Life Insurance Limited accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the use, interpretation or actions based on the contents of this material. This article merely provides you with a general idea as to the recourse available to you. We acknowledge that the information contained in this article was taken from the Pension Funds Act 24 of 1956 as well as the Pension Funds Adjudicator's website: www.pfa.org.za