



INDEPENDENT STATE OF PAPUA NEW GUINEA.

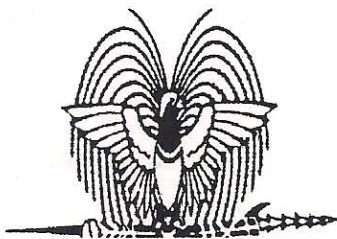
STATUTORY INSTRUMENT.

No. **1** of 2004.

Superannuation (Amendment) Regulation 2004.

ARRANGEMENT OF SECTIONS.

1. Eligibility age (Amendment of Section 2) .
2. New Sections 3A, 3B, 3C and 3D.
 - "3A. **EXEMPTIONS FOR CERTAIN WORKERS IN PRIMARY INDUSTRIES."**
 - "3B. **APPLICATION OF THE ACT."**
 - "3C. **FEES."**
 - "3D. **FINANCIAL REQUIREMENTS."**
3. Rates for employer contributions (Amendment of Section 5).
4. Rates for employee contributions (Amendment of Section 6).
5. Repeal and replacement of Section 9.
 - "9. **PRIOR BENEFITS TO CONTINUE."**



INDEPENDENT STATE OF PAPUA NEW GUINEA.

STATUTORY INSTRUMENT.

No. 1 of 2004.

Superannuation (Amendment) Regulation 2004,

Being a Regulation to amend the *Superannuation Regulation 2002,*

MADE by the Head of State, Acting with, and in accordance with, the advice of the National Executive Council under the *Superannuation (General Provisions) Act 2000.*

1. ELIGIBILITY AGE (AMENDMENT OF SECTION 2).

Section 2 of the Principal Regulation is amended by repealing Paragraph (a) and replacing it with the following new paragraphs -

- "(a) in the case of a member who was a member of the Public Officers Superannuation Fund on the commencement of the Act and who is a member of the Police Force, the Correctional Service or the Fire Service – the age of 50 years or, at the option of the member, the age attained after completing 20 years service;
- "(aa) in the case of a member who was a member of the Public Officers Superannuation Fund on the commencement of the Act but is not referred to in Paragraph (a) – the age of 55 years or, at the option of the member, the age attained after completing 25 years service;"

2. NEW SECTIONS 3A, 3B, 3C and 3D.

The Principal Regulation is amended by inserting after Section 3 the following new sections:-

"3A. EXEMPTIONS FOR CERTAIN WORKERS IN PRIMARY INDUSTRIES.

For the purposes of Section 3A of the Act, the following classes of workers employed by an employer whose business is substantially in a primary industry are declared not to be employees for the purposes of this Act, namely, workers whose employment with the employer is intermittent or discontinuous, but not if the worker has been so employed for more than 24 months."

Superannuation (Amendment)

"3B. APPLICATION OF THE ACT.

"(1) For the purposes of Sections 4(1)(a) and 4(1)(c) of the Act, the prescribed number of employees is 15.

"(2) Subsection (1) commences on the date 5 years after the commencement of the Act."

"3C. FEES.

"(1) The fees payable for an application for a licence under Section 11 or 19 of the Act are:-

- (a) a non-refundable application fee of K15,000.00; and
- (b) an annual renewal fee of K15,000.00 for each licensed investment manager and licensed fund administrator, or such other amount as determined by the Central Bank; and
- (c) for a licence for a trustee for an ASF for a year – a supervision fee equal to 0.143% of the value of the assets of the ASF at the end of the immediately previous year as disclosed in the most recent audited accounts of the ASF.

"(2) If, when an application under Section 11 or 19 of the Act is made, it is not possible to work out the supervision fee, the Central Bank may make an estimate of the supervision fee, with adjustments to be made when the supervision fee is worked out, and the estimate is taken to be the fee until the correct fee is worked out.

"(3) The Central Bank may enter into arrangements satisfactory to the Central Bank with an applicant for a licence under Section 11 or 19 of the Act for the payment of the supervision fee by no more than 4 instalments."

"3D. FINANCIAL REQUIREMENTS.

"(1) For the purposes of Sections 12 and 20 of the Act -

- (a) the financial requirements are -
 - (i) for a trustee that does not itself hold any assets of the ASF – nil;

Superannuation (Amendment)

- (ii) for a trustee that does not itself hold any assets of the ASF – the total net tangible assets of the trustee must be at least K250,000.00;
- (iii) for a fund administrator – the total net tangible assets of the fund administrator must be at least K250,000.00;
- (iv) for an investment manager – the total net tangible assets of the investment manager must be at least K500,000.00; and
- (b) the amounts of the approved guarantee are -
 - (i) for a trustee that does not itself hold any assets of the ASF – nil;
 - (ii) for a trustee that itself holds assets of the ASF – the total net tangible assets of the trustee must be at least K250,000.00;
 - (iii) for a fund administrator – the total net tangible assets of the fund administrator must be at least K250,000.00;
 - (iv) for an investment manager – the total net tangible assets of the investment manager must be at least K500,000.00.

"(2) For the purposes of this section, the net tangible assets of an entity are to be worked out in accordance with generally accepted accounting practices in Papua New Guinea."

3. RATES FOR EMPLOYER CONTRIBUTIONS (AMENDMENT OF SECTION 5).

Section 5 of the Principal Regulation is amended –

- (a) in Subsection (1) by repealing the words "prescribed rates" and replacing them with the following:-

"prescribed percentages"; and

- (b) in Subsection (2) by repealing the words "rates paid" and replacing them with the following:-

"percentages used".

Superannuation (Amendment)

4. RATES FOR EMPLOYER CONTRIBUTIONS (AMENDMENT OF SECTION 6.

Section 6 of the Principal Regulation is amended –

(a) in Subsection (1) -

(i) by repealing the words "prescribed rates" and replacing them with the following:-

"prescribed percentages"; and

(ii) by repealing Paragraph (a) and replacing it with the following:-

"(a) for employees in the Public Sector – 6% at all times;"; and

(b) in Subsection (2) by repealing the words "rates paid" and replacing them with the following:-

"percentages used".

5. REPEAL AND REPLACEMENT OF SECTION 9.

Section 9 of the Principal Regulation is repealed and is replaced with the following with effect, in respect of Subsection (1), on and from the commencement of the *Superannuation (General Provisions) Act 2000*:-

"9. PRIOR BENEFITS TO CONTINUE.

(1) For the purposes of Section 126(2) of the Act, the payment of the following benefits or entitlements is permitted but only if the right to the benefit or entitlements accrued on or before 30 June 2003:-

(a) benefits or entitlements required or permitted by such of the governing rules of the superannuation fund as were in force immediately before the commencement of the Act;

(b) without limiting Paragraph (a), any of the following:-

(i) housing benefits or entitlements in respect of an application made to the trustee of the relevant superannuation fund before the commencement of the Act;

Superannuation (Amendment)

- (ii) benefits or entitlements by way of funding for primary, secondary, and tertiary education in respect of an application made to the trustee of the relevant superannuation fund before the commencement of the Act;
- (iii) benefits or entitlements by way of funding for medical expenses;
- (iv) life insurance benefits or entitlements.

"(2) Nothing in Subsection (1) entitles a member of the POSF to the employer benefit component of superannuation benefits calculated as provided in Section 38 of the *Public Officers Superannuation Fund Act 1990* as in force immediately before the commencement of the Act. Such a member's entitlement to the employer benefit component of superannuation benefits is to be calculated as provided in Section 38 of the *Public Officers Superannuation Fund Act 1990* as in force for the time being."

MADE this

12th

day of

JANUARY

, 2004.


ACTING GOVERNOR-GENERAL.