

GOVERNMENT OF PAKISTAN
Securities and Exchange Commission of Pakistan

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Islamabad, the 29th June, 2020

NOTIFICATION

S.R.O. 583 (I)/2020.- The following draft amendments to Voluntary Pension System Rules, 2005, proposed to be made by the Securities and Exchange Commission of Pakistan, with the approval of the Federal Government, in exercise of the powers conferred by sub-section (1) of section 282B of the Companies Ordinance, 1984 (XLVII of 1984), read with clause (b) of section 43 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), are hereby published for information of all persons likely to be affected thereby and notice is hereby given that comments, if any, received within fourteen days of the date of this notification in the official Gazette will be taken into consideration, namely:--

DRAFT AMENDMENTS

In the aforesaid Rules,-

(1) in rule 2,-

(a) in sub-rule (1),-

- (i) clause (c) shall be omitted;
- (ii) clause (h) shall be omitted;
- (iii) clause (i) shall be omitted;
- (iv) clause (ja) shall be omitted;
- (v) clause (jb) shall be omitted;
- (vi) clause (m) shall be omitted;
- (vii) clause (ma) shall be omitted;
- (viii) clause (r) shall be omitted;
- (ix) clause (s) shall be omitted;
- (x) clause (t) shall be omitted; and
- (xi) clause (x) shall be omitted;

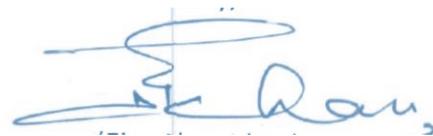
(b) in sub-rule (2),-

- (i) the words “and the” shall be omitted; and
 - (ii) after the expression “Non-Banking Finance Companies (Establishment and Regulation) Rules 2003”, the expression “and the Non-Banking Finance Companies and Notified Entities Regulations, 2008” shall be inserted;
- (2) for rule 7, the following shall be substituted, namely:-
- “7. Obligations as Pension Fund Manager.** - A Pension Fund Manager shall ensure compliance with the obligations as specified in the regulations and constitutive documents of the pension fund.”;
- (3) rule 8 shall be omitted;
- (4) in rule 9,-
- (a) in sub-rule (3),
 - (i) in clause (a), for the expression “set out in Schedule II”, the words “specified in the regulations” shall be substituted; and
 - (ii) in clause (c), for the expression “non-refundable fee of one hundred thousand Rupees”, the expression “such non-refundable fee as specified in the regulations” shall be substituted;
 - (b) in sub-rule (5), for the expression “Schedule III”, the words “the regulations” shall be substituted;
- (5) rule 11 shall be omitted;
- (6) in rule 14,-
- (a) sub-rules (2), (3), (4) and (5) shall be omitted; and
 - (b) in sub-rule (6), for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be inserted, namely,-

“Provided that the individual pension account can be subject to be pledged, lien or encumbrance against the loan or advance given by the employer to the employee.”;
- (7) in rule 15, in sub-rule (4), for the words “once in a financial year”, the words “as per the discretion of the participant” shall be substituted;
- (8) in rule 17, for sub-rule (3), the following shall be substituted, namely:-
- “(3) A doctor’s assessment certificate confirming the said disability along with assurance from the Pension Fund Manager and Trustee shall be required for sub-rule (2).”;

- (9) rule 22 shall be omitted;
- (10) rule 23 shall be omitted;
- (11) in rule 27,-
- (a) in sub-rule (1), after the expression “connected person”, occurring at the end, the expression “, except with the approval of its Board of Directors in writing and consent of Trustee,” shall be inserted; and
- (b) sub-rule (2) shall be omitted;
- (12) for rule 31, the following shall be substituted, namely:-
- “31. Obligations of trustee.** - A trustee shall ensure compliance with the obligations as specified in the regulations and constitutive documents.”;
- (13) in rule 33, in sub-rule (1),-
- (a) for the words “not in any way be related to the Pension Fund Manager or its directors or investment advisor”, the words “be independent of Pension Fund Manager” shall be substituted; and
- (b) after sub-rule (1) amended as aforesaid the following explanation shall be inserted, namely:-
- “Explanation:- For the purposes of this rule the expression “independent” means that there shall be no cross-shareholding nor common directorship between the Pension Fund Manager and trustee.”;
- (14) for rule 36, the following shall be substituted, namely,-
- “36. Annual fee payable to the Commission.** - Pension Fund Manager shall pay, as annual fee to the Commission as specified in the regulations.”;
- (15) rules 40 and 41 shall be omitted; and
- (16) Schedules I, II and II shall be omitted.

No. SCD/AMCW/VPS/2020-



(Ejaz Alam Khan)
Secretary to the Commission