



NATIONAL PENSION COMMISSION

FRAMEWORK FOR THE TRANSFER OF RETIREMENT SAVINGS ACCOUNTS TO THE NIGERIAN UNIVERSITY PENSION MANAGEMENT COMPANY (NUPEMCO)

NDMD/FR/001/2019

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1.0 INTRODUCTION

- 1.1 The National Pension Commission (PenCom) has granted a Pension Fund Administrator License to Nigerian University Pension Management Company (NUPEMCO). The license is exclusively for the administration of the RSAs of employees of Universities and Tertiary Institutions who are members of the following organizations:
- i. Academic Staff Union of Universities (ASUU);
 - ii. National University Commission (NUC);
 - iii. Non-Academic Staff Union of Educational and Associated Institutions (NASU);
 - iv. Senior Staff Association of Nigeria Universities (SSANU); and
 - v. Senior Staff Association of Academic Technologist (NAAT).
- 1.2 In view of the above, it has become necessary to develop a framework for the smooth transition of the affected RSA holders from their existing PFAs to NUPEMCO and the transfer of their RSAs.

2.0 OBJECTIVES OF THE FRAMEWORK

- 2.1 This Framework seeks to set out the modalities that will ensure the transfer of the RSA records of members and their corresponding assets from various PFAs to NUPEMCO.

3.0 ELIGIBILITY AND CONSENT TO TRANSFER RSA

- 3.1 Employees of the above institutions and Members of the associations who retired under the Contributory Pension Scheme on or before 31 December 2018, shall not be eligible to transfer to NUPEMCO but shall remain with their existing PFAs. All other serving employees and those that retired from 1 January 2019 to date are eligible to move to NUPEMCO.
- 3.2 In line with the provisions of Section 11(1) of the PRA 2014, the eligible employees and retirees may opt to stay with their current PFAs.
- 3.3 In view of 3.2 above, eligible employees and retirees opting to move to NUPEMCO shall complete a Consent Form to indicate their willingness to move from their current PFAs to NUPEMCO.
- 3.4 The Consent Forms, shown in Appendix 1 attached to this Framework, shall indicate the employer and association membership maintained for the eligible employee or retiree. It shall also indicate all RSAs opened by the individual, where multiple RSA registrations exist.

4.0 MODALITIES FOR THE TRANSFER OF RSAs

4.1 The Commission's 'First PIN Rule' for assigning the rightful PFA in cases of multiple RSA registration shall not apply in cases where RSA holders moving to NUPEMCO have multiple RSA registrations. They shall transfer only one active RSA to NUPEMCO, whether valid or invalid. This notwithstanding, retirees on Programmed Withdrawal can only transfer the RSA with which they retired. The modalities for the transfer are outlined below:

4.2 Submissions by NUPEMCO

4.2.1 NUPEMCO shall submit a comprehensive list of all staff of the affected agencies, institutions, unions and associations to the Commission.

4.2.2 The list, which should be in Excel, should be prepared in the following format:

Serial No.	First Name	Middle Name	Surname	DOB	DOFA	Active RSA PIN	PFA	Employer Name	Employer Code	Date of Retirement

4.2.3 NUPEMCO shall distribute the Consent Forms prescribed by the Commission to all eligible Members that opt to move to the PFA.

4.2.4 NUPEMCO shall receive and batch duly completed and signed Consent Forms.

4.2.5 NUPEMCO shall submit the original copies of the Consent Forms in serial Batches to the Commission and retain copies in its records.

4.2.6 Each Batch submitted to the Commission on or before 30 June 2019 shall contain the Consent Forms of 300 individuals only. Thereafter, subsequent Batches should contain a minimum of ten (10) and maximum of 300 Consent Forms.

4.2.7 The submission for each Batch shall be accompanied with a CD-ROM containing the scanned copies of the Consent Forms and a schedule showing all the Consent Forms submitted in the Batch. The schedule shall be in the format specified in 4.2.2 above.

4.2.8 In addition to the submission above, NUPEMCO shall submit the bank details of its PFC, along with the first Batch, to the Commission.

4.2.9 The submission of Consent Forms by NUPEMCO to the Commission shall activate the transfer process for the eligible RSA holders in each Batch.

4.2.10 The Commission shall authenticate the relevant details of the RSA holders provided in the Consent Forms in 4.2.9 on its database and forward the Forms to their respective Transferring PFAs for further validations.

4.3 Re-Assignment of RSAs

4.3.1 Upon receipt of copies of the duly validated Consent Forms from the Commission, the Transferring PFAs shall match the information of the RSA holders requesting for transfer, with the information on their databases.

4.3.2 The Transferring PFAs shall forward a schedule containing the details of PINs that do not match the information contained in their databases to the Commission. The schedule shall be prepared in line with the format specified below:

Serial No.	First Name	Middle Name	Surname	RSA PIN	Employer Name	Description of Discrepancy

4.3.3 In addition to the schedule above, the Transferring PFA shall submit balances on the affected RSAs in the Batch being processed that matched the information on their databases, to the Commission. The balances shall be as at the last day of the month preceding the request.

4.3.4 Upon successful validations carried out by the Commission and its approval for the transfer of the RSAs, the affected RSAs shall be re-assigned on the Commission's Database from the Transferring PFA to NUPEMCO.

4.3.5 NUPEMCO shall be advised of all RSAs approved for transfer in each Batch and of any RSA that fails the Commission's validations or that do not match PFA records.

4.3.6 Upon receipt of the advice in 4.3.5 above, NUPEMCO shall create the relevant RSAs in its database and shall notify its PFC.

4.3.7 NUPEMCO shall issue the transferred RSA holders with 'Welcome Letters'. The Welcome Letters shall indicate, amongst others, the RSA balance received by NUPEMCO on behalf of each RSA holder.

4.3.8 NUPEMCO shall execute new Programmed Withdrawal Agreements with individuals that retired after the cut-off that are already on programmed withdrawal but subsequently opt to move to NUPEMCO.

4.3.9 All relevant pension contribution-remitting institutions shall be notified by the Commission of the change of PFA in respect of the RSAs approved for transfer. The notification shall request the institutions to remit pension contributions and/or retirement benefits on behalf of the affected individuals to NUPEMCO's PFC with effect from the month following the month in which the notification shall be received.

4.3.10 Copies of the instruction in 4.3.9 above shall be forwarded to NUPEMCO for follow-up.

4.4 Transfer of Pension Assets

4.4.1 In order to fully account for pension contributions in transit, Transferring PFAs shall transfer pension assets as at the last day of the following month.

4.4.2 All pension assets to be transferred to NUPEMCO shall be limited to the following assets and instruments:

- Cash
- Treasury Bills (market-market valuation)
- Money Market Instruments

4.4.3 Each transfer of pension assets to NUPEMCO shall be based on the Net Assets Value (NAV) of the RSA 'Fund' of the RSA holder as at the transfer date indicated in 4.4.1 above.

4.4.4 The RSA balances attributable to each RSA holder shall be moved in en-bloc (once) as fractional transfers shall not be allowed.

4.4.5 Where a Transferring PFA does not have sufficient cash or near-cash pension assets, the PFA shall submit a proposal on how it intends to realize the shortfall, for the Commission's consideration and approval.

4.4.6 The Commission's approval shall indicate the deadline for the transfer of the shortfall.

4.4.7 Transferring PFAs shall forward a notification to NUPEMCO, showing the schedule of RSAs and their respective NAVs, as well as the list of pension assets transferred to its PFC. Transferring PFAs shall also forward copies of the notifications issued to NUPEMCO, to the Commission.

4.4.8 The schedule in 4.4.7 above shall be in the following format:

PFA Name: _____

Batch Number: _____

Date of Transfer: _____

Serial No.	First Name	Middle Name	Surname	RSA PIN	RSA NAV as at	Fund Type	RSA Holder Status (Contributor /Retiree)

4.4.9 PFAs shall remit any contributions received into an already transferred RSA to NUPEMCO.

4.4.10 Such pension contributions as in 4.4.9 above shall not attract any administrative fee by the PFA.

4.4.11 The Commission shall impose administrative sanctions on any PFA that does not transfer contributions received in 4.4.9 above to the NUPEMCO's PFC within three (3) working days.

4.4.12 NUPEMCO shall establish RSA funds for the Transferred RSA holders in line with the revised RSA Multi Fund Structure issued by the Commission, to manage the assets of its fund members.

4.4.13 PFAs shall, not later than 30 days from the date of transfer, issue their Transferred RSA holders with detailed statements of account for the 13 months preceding the transfer.

4.4.14 PFAs should not later than 60 days from the date of transfer, forward to NUPEMCO, a soft copy of the detailed transaction history of each RSA transferred. The transaction history shall be in Excel format and shall indicate all inflows and outflows in the RSAs from inception to the transfer date.

4.5 Transfer of Mandate Files

4.5.1 PFAs shall not later than 7 days from the transfer of pension assets to NUPEMCO, shall transfer both the soft and hard copies (as applicable) of the mandate files of the RSA holders whose assets have been moved to NUPEMCO.

- 4.5.2 The RSA holder's PIN must be clearly written on both the soft and hard copies of the mandate files.
- 4.5.3 The cost for transferring the hard copies of the mandate files shall be borne by NUPEMCO.

5.0 DATA RECAPTURE EXERCISE

- 5.1 In view of the ongoing Data Recapture Exercise, NUPEMCO shall carry out data recapture for all transferred RSA holders in line with the Revised Working Guide on Data Recapture.
- 5.2 Pursuant to 5.1 above, the Commission shall instruct the Transferring PFAs not to recapture those RSA holders that opt to transfer their RSAs to NUPEMCO.
- 5.3 NUPEMCO shall engage Transferring PFAs who have already captured the RSA holders moving their RSAs to it, to agree on an amicable form of transfer of the recaptured data. Otherwise, NUPEMCO shall recapture the RSA holders when the RSAs are transferred.
- 5.4 NUPEMCO shall design its Recapture Form and submit to the Commission for review and approval.
- 5.5 NUPEMCO shall recapture its members using their transferred (Active) RSAs.
- 5.6 The National Databank Management Department (NDMD) in conjunction with the Information and Communication Technology Department (ICTD) shall confirm the readiness of NUPEMCO to carry new RSA registrations and the recapture of RSA holders under the Enhanced Contributor Registration System (ECRS). The National Databank Management, Surveillance and IT Departments shall also engage officers of NUPEMCO to guide them on the data recapture process and RMAS submissions.

6.0 REPORTING REQUIREMENTS

- 6.1 NUPEMCO and its PFC(s) appointed for the RSA Funds shall each forward to the Commission, monthly updates of the transfers received from PFAs for the preceding month in the format specified below:

Serial No.	Batch No.	PFA Name	Total Value of Pension Assets Transferred	Cash	Treasury Bills	Value of Money Market Instruments	Other Pension Assets	Shortfall (if any)	Remark
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6.2 PFAs shall provide quarterly reports to the Commission on transfers made to NUPEMCO in the format specified in 6.1 above.

7.0 SUMMARY OF TIMELINES

S/N	Activity	Framework Ref.	Timeline	Responsibility
1	Submission of list of staff of all affected agencies, institutions, unions and associations to PenCom	4.2.1 – 4.2.2	By 28 February 2019	NUPEMCO
2	Distribution of Consent Forms prescribed by the Commission	4.2.3	Immediate	NUPEMCO
3	Submission of PFC's bank account details to the Commission	4.2.8	Along with the first Batch of Consent Forms submitted to PenCom	NUPEMCO
4	Submission of RSA balances of transferring RSA holders and details of observed errors to PenCom	4.3.2 – 4.3.3	Within 1 week of receipt of a Batch from PenCom	All Transferring PFAs
5	Remittance of monthly pension contributions in respect of RSA holders that transfer to NUPEMCO	4.3.9	The Month following the receipt of PenCom's transfer notification	All relevant pension contribution-remitting institutions
6	Transfer of pension assets in respect of transferring RSAs to NUPEMCO's PFC	4.4.1	Last day of the Month following the receipt of a Transfer Instruction	All Transferring PFAs

S/N	Activity	Framework Ref.	Timeline	Responsibility
			from PenCom	
7	Notification to NUPEMCO of pension assets transferred to its PFC	4.4.7 – 4.4.8	2 days after the Effective Transfer Date	All Transferring PFAs
8	Transfer of additional pension benefits received by a Transferring PFA, in respect of an already transferred RSA to NUPEMCO's PFC	4.4.9 – 4.4.11	Not later than 3 days from date of receipt	All Transferring PFAs
9	Transfer of Mandate Files to NUPEMCO	4.5.1	Not later than 7 days after the date of transfer of pension assets	All Transferring PFAs
10	Issuance of detailed RSA Statements for the last 3 months to Transferred RSA holders	4.4.13	Not later than 30 days after the date of transfer	All Transferring PFAs
11	Submission of detailed RSA transaction history, from inception to date of transfer, to NUPEMCO	4.4.14	Not later than 60 days after the date of transfer	All Transferring PFAs
12	Submission of Contributor Data Recapture Form to the Commission for approval	5.3	Immediate	NUPEMCO
13	Data recapture of Transferred RSA holders	5.1	Immediately upon receipt of Transfer Approval from PenCom for each Batch	NUPEMCO

S/N	Activity	Framework Ref.	Timeline	Responsibility
14	Training of staff of NUPEMCO on Data Recapture	5.5	February – March 2019	PenCom
15	Submission of progress reports to the Commission	6.1 – 6.2	Monthly and Quarterly	NUPEMCO; NUPEMCO's PFC Transferring PFAs

8.0 ENQUIRIES

8.1 All enquiries regarding this Framework shall be directed to:

The Director General
National Pension Commission
174, Adetokunbo Ademola Crescent
Wuse II
Abuja- Nigeria