

PART C

**APPENDICES TO RULES FOR
PERSONAL RETIREMENT SCHEMES**

APPENDIX 3

(SLC 2.2.2 of Part B of the Pension Rules for Personal Retirement Schemes)

Contents of the Scheme Particulars

The Scheme Particulars shall as a minimum include the following matters:

- 3.1 name and date of establishment of the Scheme and a statement as to its duration, if limited, the form in law and the registered address of the Scheme in case of a Scheme established as a body corporate;
- 3.2 the Scheme's structure, purpose and the category of persons eligible to be Members of the Scheme;
- 3.3 details regarding the functionaries of the Scheme and any material provisions of their contract which may be relevant to Members and Beneficiaries. This should include the names and positions of those responsible for the administration, management and supervisory functions and custody of the Scheme; details of their main activities; their experience, both current and past, which is relevant to the Scheme;
- 3.4 whether the Scheme is a Defined Benefit or Defined Contribution Scheme, the nature of the benefits provided and any conditions relating thereto, the contributions made or required to fund the benefits and any arrangements for additional contributions, and how such benefits and contributions are calculated;
- 3.5 the Scheme's Investment Objective and:
 - (a) a Statement of Investment Policy describing in detail the investment policy and the investment restrictions for the Scheme and contain sufficient information to ensure that Members and Beneficiaries are fully aware of the risks to which they will be exposed. This statement shall at least include details of any investment restrictions, limitations or conditions applicable to the investment of the Scheme's assets; the investment risk measurement methods, the risk-management processes implemented and the strategic asset allocation with respect to the nature and duration of pension liabilities. The Statement of Investment Policy in particular shall be maintained up-to-date and must be reviewed at least every three years;
 - (b) where applicable, the identity of any main underlying investments in which the Scheme invests the contributions;
 - (c) where applicable, a summary of the key characteristics of any main underlying investment in which the Scheme invests and the proceedings in relation to changes to the underlying investments selected;
 - (d) the Scheme's liabilities to the Beneficiary(ies);

- (e) an indication of any techniques and instruments which may be used for the purposes of efficient portfolio management, and of the borrowing powers which may be used in the management of the Scheme;
- 3.6 any criteria (including benchmarks and performance time scales) against which the Scheme's investment performance is measured;
- 3.7 any risk parameters applied by the Scheme to its investment policy;
- 3.8 the charges and fees applicable to the Scheme and to Members whether directly or indirectly. This should include information concerning the nature, amount and the basis of calculation in respect of remuneration payable by the Scheme to the Retirement Scheme Administrator and to any Investment Manager, Investment Advisor, Custodian and to third parties, and in respect of the reimbursement of costs by the Scheme to these persons;
- 3.9 a statement as to how further information about the Scheme may be obtained by a Member or Beneficiary;
- 3.10 brief indications of the tax provisions applicable to the Scheme and Members / Beneficiaries;
- 3.11 a description of the potential conflicts of interest which could arise;
- 3.12 that, unless otherwise prescribed, there exists no statutory provision for compensation in the case where a Scheme is unable to satisfy the liabilities attributed to it, and that the licensing of the Scheme is not an endorsement by the MFSA as to the performance of the Scheme and the MFSA shall not be liable for the performance or default of the Scheme;
- 3.13 in the case of a Defined Benefit Scheme, the Scheme Particulars shall also include the expected (projected) return, which should be determined together with the actuary, on the Scheme's assets;
- 3.14 information concerning the arrangements for making payments to Members and Beneficiaries and for making available information concerning the Scheme;
- 3.15 a Statement of the place where the Scheme Document, if it is not annexed, and periodic reports may be obtained;
- 3.16 accounting dates;
- 3.17 rules for the valuation of assets;
- 3.18 such other matters as the MFSA may prescribe either generally or in relation to a particular Scheme or class of Schemes.