
Pension Protection Sectoral Fund

Management company authorization

A management company is a company whose main and permanent activity is the management of one or more funds.

In order to act as a management company, a person must be authorized to do so or register their activity with the Financial Supervision Authority in accordance with the Investment Funds Act. Authorization is granted and revoked by the Financial Supervision Authority.

A pension management company is a management company authorized to manage mandatory or voluntary pension funds.

When applying for authorization to manage a compulsory pension fund, in addition to other documents and details, a document certifying the commitment to pay a single contribution to the Pension Protection Sectoral Fund must be submitted.

Calculation and payment of quarterly contribution

The quarterly contribution is calculated on the basis of the net asset value of all the assets of all the mandatory pension funds managed by the pension management company or branch on the last day of the quarter preceding the quarter in which the contribution is due.

The amount of the contribution is obtained by multiplying the sum of the net asset values of the pension funds by the contribution rate set by the Supervisory Board of the Guarantee Fund.

The amount of the contribution is calculated by the pension management company or branch.

The detailed procedure for calculating the amount of the contribution is laid down in regulation of the Minister of Finance.

If the reporting party has identified an error in data previously reported or if the accounting policies of previous reporting periods have been changed, the pension management company or branch submits a corrected report.

The quarterly contribution is paid by the pension management company or branch by the 15th day of the second month of each quarter.

In the event of non-payment or partial payment of the contribution, the Guarantee Fund

charges interest on the outstanding amount at the rate of 0.2% per day.

Deferral of quarterly contribution and its amount

The Supervisory Board of the Guarantee Fund may, by a resolution thereon, authorize the deferral of up to 1/4 of the quarterly contribution, provided that the pension management company or the branch undertakes to pay the deferred contribution promptly upon the request of the Guarantee Fund.

The total amount of deferred contributions per pension management company or branch may not exceed 0.2% of the sum of the net asset values of the pension funds.

The Guarantee Fund may require that a pension management company or branch insure or guarantee the fulfilment of the obligation to make deferred contributions by a third party accepted by the Supervisory Board of the Guarantee Fund.

The Guarantee Fund makes a claim for payment of the deferred part of the contribution when the obligation to pay compensation arises on account of the Sectoral Fund.

The highest contribution rate established in the Guarantee Fund Act does not apply to the payment of the deferred part of the contribution.

Suspension of quarterly contribution collection

On the basis of a decision of the Supervisory Board of the Guarantee Fund, the Guarantee Fund suspends the collection of quarterly contributions to the Pension Protection Sectoral Fund if all of the following conditions are met:

1. the assets of the Sectoral Fund represent at least 1% of the net asset value of all pension funds;
2. the value of the assets of the Sectoral Fund exceeds 1,000,000 euros;
3. loans taken to meet the obligations of the Sectoral Fund and funds received from other Sectoral Funds, together with accrued interest, have been repaid in full.