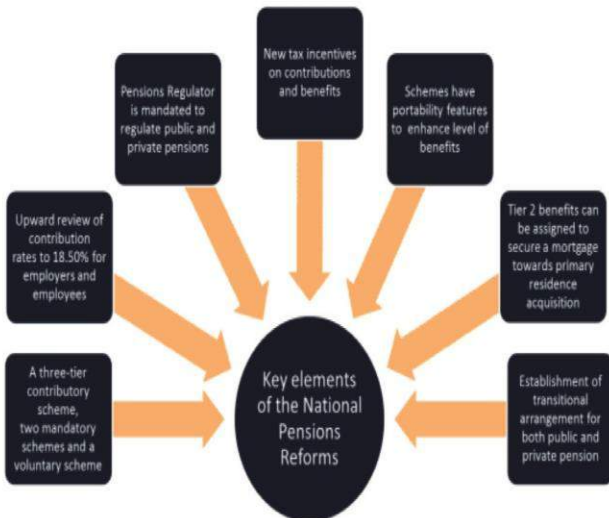
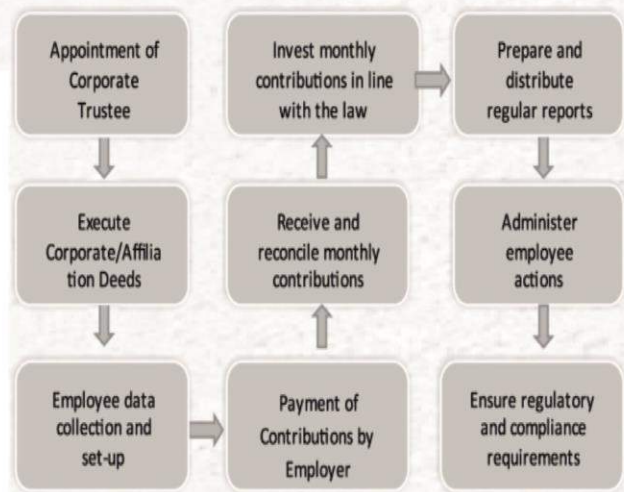




Executive Summary: National Pensions Reforms



PROCESS MAP TO ENSURE COMPLIANCE



Q: What is the role of the Corporate Trustees?

A: Overall responsibility to see to the management of the scheme in accordance with the National Pensions Act, 2008 (Act 766) and to ensure compliance



HELP AND OTHER INFORMATION

For help and more information, please contact:

Business Manager
Premium Place,
PMB 108, Airport
Accra, Ghana

Tel: 0302-251101/2

Fax: 0302-251106

E-mail: info@unitedpensiontrustees.com.gh
isaac.ansong@unitedpensiontrustees.com.gh
www.unitedpensiontrustees.com.gh

united we build



THE NEW PENSIONS REFORMS: THREE-TIER PENSION SCHEME IN PERSPECTIVE BACKGROUND/OVERVIEW OF PENSIONS REFORMS

- Over the years, concerns have been raised and agitations made by public servants over inadequacies of the current level of pensions to sustain a respectable life for retired public servants.
- In addition, pension schemes that have been operated in the country so far have, beside their limitations, also failed to consider the plight of workers in the informal sector, who constitute about 80% of the working population in Ghana.
- In 2004 Government initiated a major reform of the Pension System in Ghana. In 2006 Government issued a White Paper accepting almost all of the Commission's recommendations. The Bill was passed by Parliament which received Presidential assent in December 2008. A new Pensions Law, the National Pensions Act, 2008 (Act 766) was promulgated on 12th December, 2008.

The National Pensions Act, 2008 (Act 766) established a contributory three-tier pension scheme as follows:

- First Tier - Basic social security scheme, mandatory for all employees to be managed by SSNIT
- Second Tier - Occupational pension scheme, mandatory for all employees but privately managed
- Third Tier - Voluntary fully-funded provident fund and personal pension schemes, supported by tax benefit incentives and privately managed.

MANAGEMENT AND ADMINISTRATION Trustees

Under the new Pensions Law, pension schemes are to be managed by trustees licensed by the National Pensions Regulatory Authority.

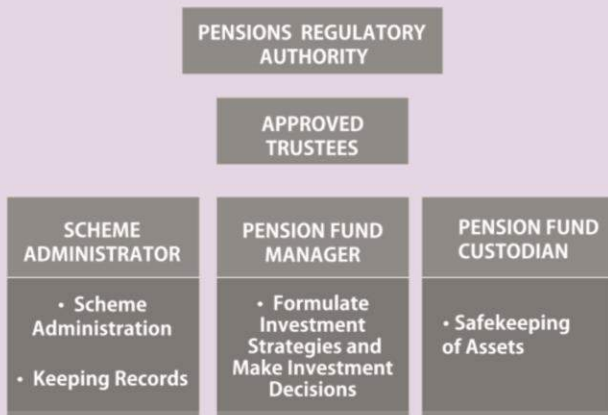
Each group pension scheme will have its own Board of Trustees made of contributing members of the participating employers (member trustees) and United Pension Trustees as Corporate Trustee.

The Corporate Trustee will appoint Pension Fund Managers and Custodians approved by the National Pensions Regulatory Authority. The Fund Managers will provide advice on how to invest the pension funds to maximize investment returns and Custodians will provide safe custody for the Funds all within guidelines issued by the National Pensions Regulatory Authority.

Scheme Administrator

The day to day administration of the scheme, including records keeping and benefits will be handled by United Pension Trustee Limited. They will also provide secretarial services and loan administration (if any).

MANAGEMENT OF PRIVATE PENSIONS - 2ND & 3RD TIERS



ABOUT THE CORPORATE TRUSTEE

United Pension Trustees Limited (UPT) is an independent indigenous Ghanaian Corporate Trustee Company Licensed by the National Pensions Regulatory Authority (NPRA).

United Pension Trustees Limited is established to provide pension trustee services to pension and provident funds operating under the National Pensions Law, 2008 (Act 766).

It is United Pension Trustees Limited objective to build members' retirement wealth by providing them with pension services, products and value added benefits that prepare them for retirement, delivered in a professional, efficient and friendly manner.

VISION

To be a leading Ghanaian Corporate Trustee Firm in the Pension Industry.

MISSION

Building Retirement Wealth

CORE VALUES

In pursuit of its mission, United Pension Trustees Limited will be guided by the following principles and values which it regards as fundamental to its success:

Integrity – exercising "Utmost Good Faith" in all dealings with clients and stakeholders.

Innovation – employing state-of-the art Management

Information Systems to service clients promptly, enhance the ability to enforce compliance rules effectively and generate reports quickly to facilitate the performance of administrative and control functions.

Family – treating clients and stakeholders as an extended family.

LOOKING FORWARD TO THE LONGEST HOLIDAY OF YOUR LIFE



No doubt you are looking forward to your retirement when you can finally stop working and start enjoying the fruits of your labour.

A long, happy and relaxing retirement is something to look forward to but, to have a good income when you retire, it is vital to start investing in a pension as soon as you possibly can.

Any extra savings you make apart from the mandatory and provident funds towards your retirement will provide more for you when you stop working. The sooner you start savings and the more save, the higher your pension and in turn your standard of living should be.

BENEFITS



Pension Benefits

The new pension scheme under the management of United Pension Trustees

- Will provide members with a lump sum to ensure retirement income security for workers.
- Ensure every worker receives pension benefits as and when due.
- An additional lump sum shall be payable as a tier 3 or Personal Pension benefit (if any) to increase your income replacement ration ensuring financial independence

	Contribution Rate	Replacement Rate
1st -Tier (social security)	11%	45-54%
2 nd -Tier (mandatory, private)	5%	25%
3 rd Tier (voluntary)	5-10% (estimated)	25-40%
Estimated Total Replacement Rate	Mandatory 1 st & 2 nd tiers 1 st , 2 nd & 3 rd tiers	70-79% 95-109%