

**ASSOCIATION OF SUPERANNUATION FUNDS OF PNG INC.
MINUTES OF MEETING NO. 4 OF 2003.**

DATE : Wednesday 5th March 2003
TIME : 9:00 am
VENUE : Nasfund Board Room

1. MEETING OPENED

The Chairman, opened the meeting at 9.45 am.

1.1 Members Present:

:	Chris Hagan	-	AON
:	Rod Mitchell	-	Nasfund
:	Ian Tarutia	-	Nasfund
:	Erastus Kamburi	-	Nasfund
:	Wayne Smith	-	POSF
:	Stephen Beach	-	Pricewaterhouse Coopers
:	J. Inara	-	ELC PNG Superfund
:	Jonathan	-	ELC PNG Superfund
:	Paul McLaren	-	Capital Stockbrokers Ltd

1.2 In Attendance:

:	Greg Taylor	-	Task Force
:	Benek Beriso	-	Central Bank
:	Philip Holdon	-	Central Bank
:	Edric Ogomeni	-	Central Bank
:	Andrew Oaeko	-	Department of Treasury
:	Igimu Momo	-	Department of Treasury
:	Kevin Playford	-	Department of Treasury

1.3 Apologies: NIL

2. MINUTES OF 3th MEETING OF 27.11.02

2.1 Minutes of 3th Meeting of 27.11.02

It was **resolved** that the Minutes of the 3th Meeting of 27th November 2002 be accepted as presented.

Moved by Rod Mitchell and seconded by Stephen Beach. All in favour.

2.2 Matters Arising from the Minutes.

No matters arising.

3. TAXATION ISSUES

3.1 Treasury reported that:

- A Working Group had been established and a working paper had been circulated to the Secretary and members.
- Require information and response from the ASF's to determine how to calculate tax on exempt income
- Require response from ASF's relating to the Super Funds earnings in order to assess the current company tax on Super Funds of 30%.

3.2 It was **resolved that the ASF would write to the Secretary for Treasury to express and register its concern and the reasons why the 30% company tax on Super Funds is harmful.**

Motion moved by Chris Hagan and seconded by Rod Mitchell. All in favour.

4. COMPLAINTS MECHANISM

It was **resolved that the ASF approach Lady Mina Siaguru and invite her to become the Chairperson to the Industry Complaints Committee.**

Moved by Chris Hagan and seconded by Rod Mitchell. All in favour.

5. EDUCATION AND RETIREMENT COUNSELLING

The members noted the paper prepared by Leon Buskens in relation to education and retirement counseling and noted that the paper had not been updated.

It was **resolved that,**

- **Pending review and subject to updating of the paper by the Association, the Association adopt, in principle, the paper as presented; and**
- **Wayne Smith to ask Leon Buskens to circulate the paper to the ASF members**

Moved by Chris Hagan and seconded by Ian Tarutia. All in favour.

6. EXPENSE RATIO

It was **resolved that the Association adopt the paper as presented.**

Moved by Rod Mitchell and seconded by Ian Tarutia. All in favour.

7. REPORTING STANDARDISATION

The Secretary, Rod Mitchell raised concern with the Central Bank as to :-

- When ASF's may expect to receive standardized reporting format for submission of reports in compliance with the Superannuation Act; and
- When ASF's may expect to receive from the Central Bank standardized forms and documents for transfer of Funds.

Philip Holdon informed the members that the Central Banks immediate priority was to ensure that all ASF's are properly established, registered and licensed before it moves to the next stage of monitoring and reporting on the respective ASF's compliance with the requirements of the Act.

8. BPNG AND TREASURY REPORT

Philip Holdon advised the members of the following matters:-

- Forwarded paper on education and retirement counseling to the ASF. BPNG will review and finalise the paper before copies of the paper are circulated to all ASF members.
- Applications for license to operate as an ASF are been considered and respective applicants will be advised soon.
- BPNG will advertise in the media a message to all employers who are required to contribute to an ASF but are currently not contributing to immediately commence contributions.
- BPNG will begin prosecuting defaulting employers
- Where outstanding contributions are recovered with interest, the interest component will be credited to the employees account.
- Where Investment Managers or Fund Administrators are found to be in default of contributions, the BPNG will consider whether or not to revoke or refuse to renew their license.
- BPNG funded public education and awareness program will commence in either April or May. ASF's will subsequently launch its awareness program.
- BPNG and Treasury to look into and advise the ASF's, especially NASFUND and POSF of the application of the SCMC Act and the Audit Act to those respective ASF's
- Any levy applied to the Fund is to be paid by the Trustee

BPNG will prepare a paper in relation to the above matters for the benefit of the members of the ASF.

9. ANY OTHER MATTERS

9.1 Administrative Matters

The Secretary Mr. Rod Mitchell advised the members of the following administrative matters :-

- ASF internet site is almost completed.
- Account balance is about K16,000.00

10. MEETING CLOSE

There been no further matters the Chairman closed the meeting at 11: 05 am.

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CHRIS HAGAN
Chairman

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ROD MITCHELL
Secretary/Public Officer