



# **COMPLEMENTARY PRIVATE PENSION FUNDS SUPERVISION STRUCTURES AND PRACTICES**

**(Room Document N°25, Session 2)**





## **LEGAL BASIS (COMPLEMENTARY LAW #109/01)**

Article 5 - The regulation, coordination, supervision, inspection and control of complementary pension fund activities shall be made by a regulation and a supervisory entity or entities as set in item VI of Article 84 of Federal Constitution.

Article 74 - Until the Complementary Law mentioned in Article 5 be enacted, the functions of the regulation and supervisory entities shall be executed by the Ministry of Social Security and Assistance, respectively by means of the Executive Council of Complementary Private Pension Funds (“CGPC”) and the Secretary of Complementary Private Pension Funds (“SPC”) regarding to closed pension funds, and, by the Ministry of Finance by means of the National Council of Private Insurance (“CNSP”) and the Superintendency of Private Insurance (“SUSEP”) regarding to, respectively, regulation and supervisory of the opened pension funds.





## **FUTURE SITUATION (Article 5 of Complementary Law 109/01)**

REGULATION AND SUPERVISORY ENTITY OR ENTITIES, ACCORDING TO WHAT WILL BE ESTABLISHED BY LAW, COMPLIED TO WHAT WAS SET IN ITEM VI OF ARTICLE 84 OF FEDERAL CONSTITUTION.



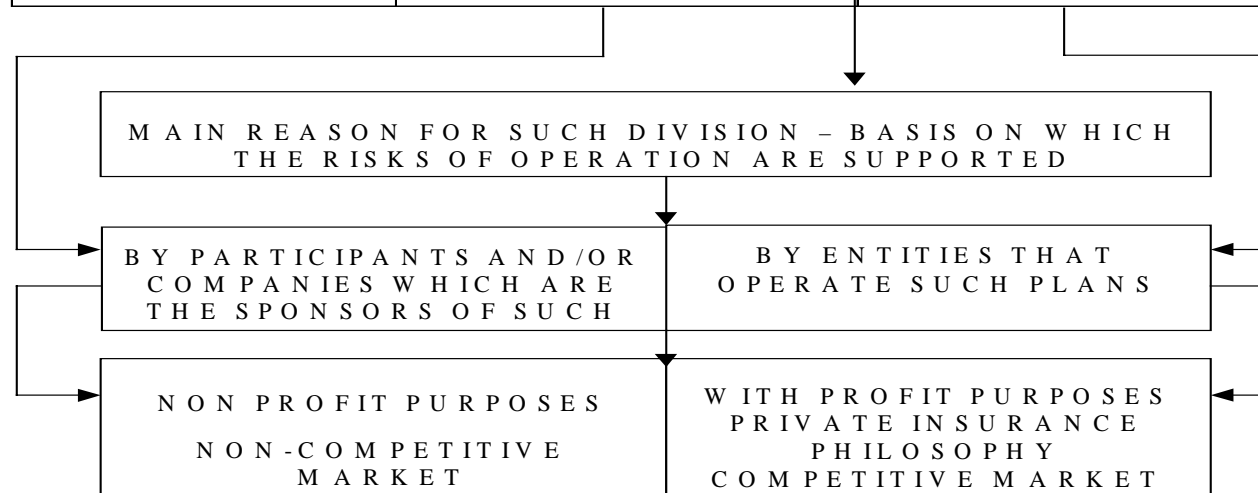


# EXISTING SITUATION

## (Article 74 of Complementary Law 109)

**EXISTING SITUATION**  
(Article 74 of Complementary Law 109/01)

SEGMENT AGENCIES /SUBORDINATION	COMPLEMENTARY PRIVATE PENSION FUNDS	
	CLOSED	OPENED
REGULATION	EXECUTIVE COUNCIL OF COMPLEMENTARY PRIVATE PENSION FUNDS - "CGPC"	NATIONAL COUNCIL OF PRIVATE INSURANCE - "CNSP"
SUPERVISION	SECRETARY OF COMPLEMENTARY PRIVATE PENSION FUNDS - SPC	SUPERINTENDENCY OF PRIVATE INSURANCE - "SUSEP"
SUBORDINATION	MINISTRY OF SOCIAL SECURITY AND ASSISTANCE	MINISTRY OF FINANCE





**OPENED COMPLEMENTARY  
PRIVATE PENSION FUNDS  
SUPERVISORY ACTIVITIES AND PRACTICES  
FUNCTION OF REGULATION AGENCIES**



## FUNCTION OF REGULATION AGENCIES

- **NATIONAL MONETARY COUNCIL - “CMN”:** ESTABLISHES THE CRITERIA FOR INVESTMENTS OF TECHNICAL RESERVES, PROVISIONS AND FUNDS.
- **NATIONAL COUNCIL OF PRIVATE INSURANCE - “CNSP”:** ISSUES RULES WHICH COMPRISE POLICIES TO BE IMPLEMENTED FOR DEVELOPMENT OF THIS SEGMENT.





# **NATIONAL COUNCIL OF PRIVATE INSURANCE**

## **ISSUING RULES OF POLICIES CONCERNING TO:**

- CORPORATE STRUCTURE OF ENTITIES, MINIMUM LIMITS FOR CAPITALIZATION AND CAPITAL RELATIONSHIP
- GENERAL CAUTIOUS PRACTICES TO BE OBSERVED WHEN INVESTING RESOURCES FROM POLICYHOLDERS' SURPLUS AND PROVISIONS, TECHNICAL RESERVES AND FUNDS
- MINIMUM TECHNICAL STRUCTURE FOR PRODUCTS WHICH CAN BE OPERATED AND THEIR TYPIFICATION.
- ACCOUNTING AND ACTUARIAL OPERATIONAL PRACTICES AND ACCOUNTING AND ACTUARIAL AUDITING PROCEDURES
- SETTING ADMINISTRATIVE PENALTIES FOR THE PRACTISE OF TRANSGRESSIONS TO LEGISLATION AND REGULATING AND RULING THE PENALTY APPLICATION



**OPENED COMPLEMENTARY  
PRIVATE PENSION FUNDS  
SUPERVISORY ACTIVITIES AND PRACTICES  
FUNCTIONS OF REGULATION AGENCY**





# **FUNCTIONS OF REGULATION AGENCY**

## **SUPERINTENDENCY OF PRIVATE INSURANCE - SUSEP:**

- I- ISSUING RULES WHICH GIVE DETAILS FOR THE NECESSARY PROCEDURES TO EXECUTE THE POLICIES IMPLEMENTED BY THE REGULATION AGENCIES.
  
- II- ACCOMPANING PLANS, IN INDIVIDUAL BASIS, OPERATED BY ENTITIES, IN CONJUNCTION WITH THEIR ACTIVITIES AND MARKET OPERATIONS
  
- III- INSPECTING ENTITIES THAT OPERATE IN THIS SEGMENT.





## I - RULES

- REQUIREMENTS TO BE COMPLIED WITH IN ORDER TO FULFILL CORPORATE LEGISLATION AND TO INSTRUCT ADMINISTRATIVE PROCEEDINGS FOR APPROVAL OF SUCH ACTS.
- NECESSARY TECHNICAL-OPERATIONAL PROCEDURES IN ORDER TO STRUCTURE, APPROVE, TRADE AND OPERATE PRODUCTS FEATURING PENSION FUNDS
- ACCOUNTING AND ACTUARIAL PRACTICES TO BE USED AND MINIMUM REQUIREMENTS DEMANDED FOR THEIR RESPECTIVE AUDITINGS.
- PROVIDING MANDATORY INFORMATION TO SUPERVISORY AGENCY.





## II - ATTENDANCE

- ANALYSIS AND APPROVAL OF CORPORATE ACTS, INCLUDING PEOPLE ASSIGNED TO PERFORM CORPORATE POSITIONS - REGISTER
  
- PRODUCT ANALYSIS AND APPROVAL, PREVIOUSLY TO MARKETING - REGISTER
  
- MONTHLY ANALYSIS OF ECONOMIC-FINANCIAL SITUATION OF THE ENTITIES
  
- MANDATORY INFORMATION CONCERNING PROVISIONS, TECHNICAL RESERVES AND FUNDS
  - CHECKING CALCULATION
  - COVERAGE FOR ASSETS WHICH GUARANTEE OPERATIONS





# III - SUPERVISION

