



Procedure for approval to change the charging structure of an approved Personal Retirement Savings Account (PRSA) product

Disclaimer

The Pensions Authority have made every effort to ensure that this guidance note is correct. However, no liability whatsoever is accepted by the Pensions Authority, its servants or agents for any errors or omissions in the information contained in this guidance note or for any loss occasioned to any person acting or refraining from acting as a result of the information in this guidance note.

Background

Under section 93 of the Pensions Act, 1990, as amended (the Act), the procedures for the granting of approval of PRSA products are determined by the Pensions Authority (the Authority). Under Part IV (j) and (k) in the PRSA Application for Approval, the applicant certifies that it will promptly notify the Authority of any change in the information provided in the initial application and changes to the features outlined in the Product Specification. Therefore, providers should notify to the Authority, in advance, of changes to the charging structure of an approved PRSA product.

Procedure

Step 1

The PRSA provider must contact the Authority, preferably by email (prsa@pensionsauthority.ie).

The correspondence should include:

- a statement that the provider would like to change the charging structure of an approved standard or non-standard PRSA product;
- a list of the approved product(s) and product code(s) to which the proposed charging structure changes will apply;
- a statement of the number of contributors to whom the change will apply;
- a statement of the reason for the decision to change the charging structure;
- details as to how contributors will be notified and a copy of the notification (in the case of an increase in charges, under section 104(11) of the Act, this must be issued to contributors two months prior to the effective date of the change);
- the effective date that the changes to the charging structure will commence;
- confirmation that the PRSA product terms and conditions allow for such changes to be made; and
- confirmation that the proposed charging structure complies with the definition of charges under section 91(1) of the Act.

Step 2

If the Authority is satisfied that all requested information has been received and is complete, as detailed above, the Authority will notify the provider by email or in writing that the change to the existing product has been approved.

The Authority will aim to notify the provider within 10 working days of receipt of the complete requested information.

Step 3

After the charging structure change has been implemented, the provider must send to the Authority:

- confirmation that relevant marketing material has been amended;
- confirmation that in the case of an increase in the number or amounts of charges, consumers to whom the change in charging structure applies have received an updated Statement of Reasonable Projection outlining the amended charges (under section 112(4) of the Act, in the case of an increase in the number or amounts of charges, this is required within 7 days of the changes coming into effect); and
- a copy of the notification of the change to charging structure that was sent to contributors, which should include the date of issue.

Step 4

When the Authority has received and is satisfied with the information listed at 3 above, the PRSA Providers and Charges Register, which is displayed on our website, will be updated accordingly.