NATIONAL PENSION COMMISSION
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PRESS RELEASE

INTRODUCTION OF A NON-INTEREST FUND (FUND VI) AND ISSUANCE OF THE OPERATIONAL FRAMEWORK

The National Pension Commission (PenCom) hereby informs pension contributors and retirees that it has introduced a Non-Interest Fund (Fund VI) and issued an Operational Framework for the Fund. This is in furtherance of the implementation of the Multi-Fund Investment Structure, which seeks to provide investment portfolio choices to pension contributors and retirees.

The Non-Interest Fund is a fund that complies with the provisions of Islamic Commercial Jurisprudence and any other established non-interest principles, as approved by the Financial Regulation Advisory Council of Experts (FRACE) or any other body constituted by the Central Bank of Nigeria and the Securities and Exchange Commission, from time to time. The FRACE, has certified that the Operational Framework issued by the Commission complies with non-interest (Shari'ah) finance principles.

All Pension Fund Administrators (PFAs) are required to create and maintain the Non-Interest Fund (Fund VI) for interested Retirement Savings Account (RSA) holders. The Fund shall be separated into two funds for Active RSA holders and Retirees respectively.

RSA holders in Fund I, II, III and retirees in Fund IV are eligible to move their RSA contributions to the Non-Interest Fund (Fund VI) by making a formal request to the PFA, in line with the provisions of the RSA Multi-fund Implementation Guidelines and Section 7.6 of the Investment Regulation dealing with Transfers between Fund Types within a PFA.

The Non-Interest Fund offers a viable alternative to the conventional interest-based financial instruments for pension funds investment.

Further information on the Non-interest fund (Fund VI) can be obtained from the Commission's website at: www.pencom.gov.ng as well as the various Pension Fund Administrators (PFAs).

SIGNED: MANAGEMENT