CIRCULAR

REF: PenCom/NAICOM/JCIR/2026/001

DATE: 23 July 2026

TO: Authorized Retiree Life Annuity Custodians and Retiree Life Annuity Providers

SUBJECT: RLA CUSTODIAL FEES STRUCTURE AND PROCESSES

Pursuant to the provisions of Paragraph 17.2 of the Revised Regulation on Retiree Life Annuity (RLA) 2020, the National Insurance Commission (NAICOM) and the National Pension Commission (PenCom) hereby issue the following structure and processes for RLA Custodial Fee:

1. General Provisions

i. The custodial fees stipulated herein are maximum amounts chargeable by RLA Custodians for custodial services to be provided by them.

ii. RLA Providers and RLA Custodians are at liberty to negotiate the applicable amount of fees to pay or charge within the maximum stipulated.

iii. No amount shall be charged outside those stipulated in the RLA regulation.

iv. RLA Provider and RLA Custodian shall jointly endorse the fee schedule to their custodial service agreement indicated by the agreed amount to be charged as custodial fee.

v. Any change to the fees shall be communicated, agreed and endorsed by both parties with a one-month notice before it is effected.

vi. RLA Provider shall forward a certified copy of the endorsed fee schedule for record by NAICOM.

2. Structure of Custodial Fee

i. The custodial fees to be charged shall be calculated based on the income generated from the Retiree Life Annuity (RLA) assets under the custody of the RLA Custodian.

ii. The custodial fee, to be negotiated by the RLA Provider and the RLA Custodian, shall not exceed 1% of the income generated.

iii. Subject to sub-paragraph “ii” above, the RLA Custodian shall pay a regulatory fee of 0.5% of its income generated to PenCom.

iv. All bank charges in relation to the process of collections shall be borne by the RLA Fund.

3. Computation and Payment of Custodial Fees

i. The RLA Custodian shall compute the custodial fee amount to be charged, generate and send invoice to RLA Provider within five (5) working days after the end of the month.

ii. The RLA Provider shall, within three (3) working days after receipt of the invoice, review and confirm the amount charged to be appropriate and issue an instruction to authorize the RLA Custodian to make the payment from the RLA assets.

4. Compliance

All Licensed Pension Fund Operators and Retiree Life Annuity Providers are to ensure strict compliance with the above directives with immediate effect.

5. Reviews

This Circular shall be subject to review jointly by NAICOM and PenCom from time to time.

Signed

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Director (Legal, Enforcement & Market Development)	**Director (Surveillance Department)**
National Insurance Commission	**National Pension Commission**