**(UNOFFICIAL CONSOLIDATED TEXT)**

**Law on Voluntary Fully Funded Pension Insurance**

("Official Gazette of the Republic of Macedonia" No. 7/2008, 124/2010, 17/2011 and 13/2013 and Official Gazette of the Republic of North Macedonia 103/2021)

**Article 1**

(1) This law shall regulate the voluntary fully funded pension insurance, the establishment and operation of voluntary pension funds, Companies for management of voluntary pension funds and mandatory and Companies for management of voluntary pension funds, as well as the organization of occupational pension schemes for their employees by employers and their members by citizens' associations.

(2) The voluntarily fully funded pension insurance is a pension insurance on a voluntary basis financed by capitalization of the assets. This insurance includes persons who are not covered by the mandatory pension insurance and persons who are covered by that insurance for the purpose of generating additional income.

(3) Voluntary contributions shall be invested into the voluntary pension funds from persons, employers and citizens' associations who will choose to contribute to these funds and whose funds are invested in financial instruments and are distributed in accordance with this Law. Companies for management of mandatory and voluntary pension funds and companies for management of voluntary pension funds shall manage these funds.

(4) No one other than a company established in accordance with this Law shall be able to perform marketing activities or offer voluntary pension funds, occupational pension schemes or similar pension arrangements or use the following terms in its title "Company for management of voluntary pension funds", " Company for management of voluntary and mandatory pension funds", "Voluntary Pension Fund", "Occupational Pension Scheme" or similar terms, in Macedonian or another language.

**Article 2**

The basic principles on which the law is based are the following:

1) **providing additional funds in case of old age** - the voluntary fully funded pension insurance shall provide pension compensation in old age, in accordance with this Law;

2) **membership in a voluntary pension fund on a voluntary basis** - a member of a voluntary pension fund may be a person who is not covered by mandatory pension insurance or a person who is covered by that insurance, at his/her own choice;

3) **voluntary fully funded pension insurance based on defined contributions** - in this insurance the amount of the contribution to be paid shall be predefined, while the amount of the pension benefit shall not be predefined and it shall depend on the paid contributions and their fertilization;

4) **providing funds for material security of persons by capitalizing the funds** - the contributions paid to the individual accounts of the members shall be accumulated and fertilized through investment;

5) **investing assets on the basis of security, risk diversification and maintaining adequate liquidity** - when investing the assets of pension funds, security should be achieved and adequate liquidity of assets should be maintained, as well as their investment in different instruments with different risk and

6) **Transparency** - the members and retired members of the pension funds shall receive regular and detailed reports on their assets and the companies shall regularly inform the public and the members about their activities.

**Article 3**

Voluntary fully funded pension insurance prohibits any discrimination against members and retired members on the basis of sex, race, color, language, religion, political or other affiliation, national or social origin, belonging to a national or ethnic minority, or on the basis of property, family, health status and age.

**Article 4**

Certain terms used in this law shall have the following meaning:

1. **"Company for management of voluntary pension funds"** is a joint stock company that is established and authorized to manage only a voluntary pension fund, in accordance with this Law;

2. **"Company for management of mandatory and voluntary pension funds“** is a joint stock company that is established and authorized to manage a mandatory pension fund and a voluntary pension fund, in accordance with this Law;

3. **" Company for management of mandatory pension funds "** is a joint stock company that is established and authorized to manage only a mandatory pension fund, in accordance with the Law on Mandatory Fully Funded Pension Insurance;

4. **"Company"** is a company for management of voluntary pension funds and a company for management of mandatory and voluntary pension funds;

5. **"Voluntary pension fund"** is an open-end investment fund established and managed by a company for management of voluntary pension funds or a company for management of mandatory and voluntary pension funds, in accordance with this Law;

6. **"Mandatory pension fund"** is a fund established and managed by a company for management of mandatory pension funds or a company for management of mandatory and voluntary pension funds, in accordance with the Law on Mandatory Fully Funded Pension Insurance and in accordance with this Law;

7. **"Agency"** is an Agency for Supervision of Fully Funded Pension Insurance that regulates and supervises the mandatory and voluntary fully funded pension insurance;

8. **"Custodian"** is a bank or specialized depository institution to which a company that manages voluntary pension funds and a company that manages mandatory and voluntary pension funds has entrusted the responsibility for keeping the assets of voluntary pension funds and performs other activities determined by this law;

9. **"Financial institution"** is a bank, insurance company, pension fund management company, asset management company or similar financial institution;

10. **"Insurer"** is an employer or an association of citizens based in the Republic of Macedonia that organizes and finances an occupational pension scheme and pays voluntary contributions to a voluntary pension fund for its employees or members;

11. **"Occupational pension scheme"** is a scheme agreed between the employer and its employees or a citizens' association and its members, included in a voluntary pension fund;

12. **"Affiliated person"** in relation to a legal entity or person is:

a) a single shareholder or group of shareholders holding a minimum of 10% of voting shares or it a smaller percentage than this and have direct or indirect control to the decisions making in that entity;

b) any other legal entity in which the first legal entity holds, directly or indirectly, a minimum of 10% of voting shares or holds a smaller percentage than this and have direct or indirect control to the decisions making in that entity;

c) any other legal entity in which a shareholder holds, directly or indirectly, more than 20% of voting shares and in the same time period the same shareholder holds more than 20% of voting shares in the first legal entity;

d) a person or legal entity that has direct or indirect control or are controlled by or are under common control by the legal entity;

e) a member of the management board, the supervisory board or other decision making or supervisory body of the legal entity;

f) the persons affiliated to persons listed in this item are the ones: in a relationship of marriage or adoption; children and parents; siblings; half-siblings; grandparents and nieces; on the other way in blood relation to second degree; persons in relation: parent, tutor and child, stepmother or stepfather and stepchild, daughter in law, son in law and the parents of the marriage spouses.”

13. **"Control",** within the meaning of item 12 of this Article is, when a person:

a) directly or indirectly owns a major share in other legal entity, or

b) directly or indirectly owns a majority of voting rights in other legal entity, or

c) has the right to appoint and dismiss the majority of members of the management bodies of other legal entity, directly or indirectly, including the contract concluded with one or more shareholders of the other legal entity for renouncing or joining of their voting rights for the achievement of common interests or

d) has the right to make, directly or indirectly, a significant influence in the management and policy making and in financial and business decisions of other legal entity

14. **"Member"** is a natural person who has concluded a contract for membership in a voluntary pension fund and has a voluntary individual account or has a certificate of membership from the company that manages the pension fund in which the person is a member and has a professional account;

14-a. **"Retired member"** is a natural person who has exercised the right to a pension benefit from voluntary fully funded pension insurance through programmed withdrawals or multiple payments and has an individual and/or professional account in a voluntary pension fund from which he/she withdraws funds;

15. **"Voluntary individual account"** is an account in the name of a member of a voluntary pension fund to which the member or another person pays voluntary contributions on a voluntary basis or on behalf of a retired member from which the retired member withdraws funds;

16. **"Professional account"** is an account in a voluntary pension fund in the name of an employee to which only the employer pays a voluntary contribution or in the name of a member of a citizens' association to which only the association pays a voluntary contribution or in the name of a retired member from which the retired member withdraws funds;

17. **"Transfer"** is the transfer of funds from one individual account to another individual account of a member of the same or another voluntary pension fund;

18. **"Transaction fees"** are the fees for stock exchange, the fees for securities depository and the fees for legal entities that perform services with securities directly related to trading with the assets of voluntary pension funds;

19. **"Agent"** is a person who performs marketing activities for pension funds;

19-a. **"Authorized actuary"** is a natural person who is licensed by the Insurance Supervision Agency to work as an authorized actuary;

20. **" Pension benefit"** is a benefit paid by voluntary fully funded pension insurance.

21. "**Good reputation**" shall have a person who possesses, competence, diligence and other attributes that give a sense of security that the person with their way of working shall not influence to imperil the stability of pension companies and pension funds and will not jeopardize the interests of members and retired members of the pension funds, as well as no evidence of their previous involvement in business activities of non-compliance with regulations, business practices and procedures;

22. **"Independent Member of the Supervisory Board"** is a natural person who:

а) in the last five years:

- did not have any material interest or any business relationship with the pension company as a business partner or as a holder of a managing position, as a member of the management board or as a member of the supervisory board at any business partner of the pension company or

- was not employed, is not a member of the management board nor is a member of the supervisory board of the pension company;

b) is not an affiliated person with the company, employed in the affiliated entity of the company or represents the affiliated entity of the company;

c) is not an affiliated person with a member of the management board or supervisory board of the company and

d) has not worked and does not work in the audit company that in the last three years has conducted external audit of the company's operations;

23. "**Marketing material**" is the entire material for advertising, promotion or information, which refers to the voluntary pension fund or company which manages the fund and

24. **"Marketing activities"** are all activities aimed at advertising a company for management of voluntary pension funds, a company for management of mandatory and voluntary pension funds and of voluntary pension ­funds and informing and concluding contracts for membership in a voluntary pension fund and contracts for payment of funds from a voluntary pension fund which includes:

a) advertising the operation of the company and the voluntary pension fund it manages;

b) informing on the characteristics of voluntary fully funded pension insurance;

#### c) informing on commissions and transaction fees;

d) informing on the return of the voluntary pension fund;

e) informing on the investment portfolio of the voluntary pension fund;

f) informing on the voluntary individual accounts and professional accounts;

g) membership and transfer of members from one voluntary pension fund to another;

h) concluding contracts for programmed withdrawals, contracts for lump sum payment and contracts for multiple payments; and

i) other activities for the purpose of advertising and providing information related to the operation of the company and the voluntary pension fund.

25. **"Responsible person"** in case of a misdemeanor is:

- a member of the managing body and/or a member of the supervisory body of a company or a person authorized by them;

- director or head of an organizational unit responsible for custody of the property of the custodian or a person authorized by them;

- manager of the Listing Center or a person authorized by them;

- member of the managing body and/or supervisory body of a legal entity that submits documents in a licensing procedure or a person authorized by them.

# CHAPTER 2

# VOLUNTARY PENSION FUND

## Article 5

(1) A voluntary pension fund is an open-end investment fund, which is established and operates in accordance with the Law on Investment Funds, unless otherwise regulated by this Law. The voluntary pension fund consists of voluntary contributions (hereinafter: contributions) paid on behalf of and for the members, members’ funds, retired members' funds and the contributions from the invested contributions and funds, reduced for the benefits collected from the voluntary pension fund.

(2) Owners of the voluntary pension fund are its members and retired members, whose individual ownership rights are determined depending on the amount of funds on their accounts in accordance with Article 101 of this Law.

(3) The assets of the voluntary pension fund shall be completely separated from the assets of the company that manages that fund.

## Article 6

The assets of the voluntary pension fund shall be managed by a company that represents the pension fund before third parties.

## Article 7

The seat of the voluntary pension fund shall be at the seat of the company that manages that pension fund.

## Article 8

The name of each voluntary pension fund must contain the words "Voluntary pension fund".

## Article 9

The assets of the voluntary pension fund may not be subject to claims, nor may those assets be enforced by, or on behalf of, the creditors of the company that manages that pension fund.

**Article 10**

(1) The voluntary pension fund has a statute which contains:

a) basic principles and special restrictions on investment, in addition to those prescribed by law, the manner and body for making and implementing investment decisions;

b) manner of calculating the transaction commissions directly related to the sale and purchase of the assets of the voluntary pension fund and their deduction from the pension fund;

c) deductions from the assets of the voluntary pension fund for the purpose of paying benefits to the company;

d) manner of keeping the accounting of the voluntary pension fund;

e) manner of informing the members and the retired members of the voluntary pension fund and the daily newspaper in which the information prospectus of the pension fund is published;

f) data on the manner of calculation and payment of pension benefits through programmed withdrawals, lump sum payments and multiple payments; and

g) other data relevant to the voluntary pension fund.

(2) The Agency for Supervision of Fully Funded Pension Insurance (hereinafter: the Agency) shall give consent to the statute of the voluntary pension fund and any changes thereafter.

## Article 11

At least once a year, the company managing the voluntary pension fund shall prepare financial statements for the voluntary pension fund. The data contained in the financial statements should be prepared in accordance with Article 129 of this Law, be consistent and comprehensive and show the true situation of the assets of the voluntary pension fund.

## Article 12

(1) A company may establish and manage only one voluntary pension fund.

(2) As an exception to paragraph (1) of this Article, the companies may manage more than one voluntary pension fund in a manner prescribed by the Agency, upon prior opinion from the Ministry of Labor and Social Policy. The Agency shall determine the date from which all companies can start managing more than one voluntary pension fund, the number of voluntary pension funds that can be managed by one company, the parameters for the investment portfolio, the manner of transferring funds between voluntary pension funds managed by the same company and other issues that the Agency shall deem relevant, based on the conditions and level of development of the voluntary fully funded pension insurance and the financial market.

# CHAPTER 3 COMPANY FOR MANAGEMENT OF VOLUNTARY PENSION FUNDS AND COMPANY FOR MANAGEMENT OF MANDATORY AND VOLUNTARY PENSION FUNDS

## Article 13

(1) A company for management of voluntary pension funds and a company for management of mandatory and voluntary pension funds shall be established and shall operate in accordance with the Law on Trade Companies, unless otherwise regulated by this Law.

(2) The Agency shall prescribe the manner of good corporate governance of the company.

(3) The company shall be obliged to adopt a code for good corporate governance in accordance with the regulation referred to in paragraph (2) of this Article.

## Article 14

(1) A company for management of voluntary pension funds and a company for management of mandatory and voluntary pension funds may be established and operate only as a joint stock company.

(2) The voluntary pension ­funds and the companies referred to in paragraph (1) of this Article shall be established in order to receive contributions from persons and insurers, to invest them in financial instruments, to distribute the accumulated assets in accordance with the law and to make payment of pension benefits through programmed withdrawals, lump sum payments and multiple payments.

## Article 15

(1) The name of each company for management of voluntary pension funds must contain the words "Company for management of voluntary pension funds".

(2) The name of each company for management of mandatory and voluntary pension funds must contain the words "Company for management of mandatory and voluntary pension funds".

**Article 16**

## (1) The only activity of the company for management of voluntary pension funds shall be the management of voluntary pension funds, their representation before third parties, as well as other activities related to the management of voluntary pension funds.

## (2) The only activity of the company for management of mandatory and voluntary pension funds shall be the management of mandatory and voluntary pension funds, their representation before third parties, as well as other activities related to the management of mandatory and voluntary pension funds.

## Article 17

### (1) The company for management of voluntary pension funds shall collect a compensation under the conditions and in a manner determined in this Law.

### (2) The company for management of mandatory and voluntary pension funds shall collect a compensation under the conditions and in a manner determined in the Law on Mandatory Fully Funded Pension Insurance and in this Law.

## Article 18

(1) The founding capital of the company cannot be increased through a public issue of shares.

(2) The shares of the company are ordinary shares under a name.

(3) The company may not issue preference shares.

(4) The shareholders of a company, in accordance with their participation in the founding capital of the company, shall have an equal position in the company. The statute of the company cannot give more rights or benefits to individual shareholders or restrict their rights or impose additional obligations.

(5) No shareholders' contract or other document shall be valid if it contains provisions contrary to the conditions referred to in paragraph (4) of this Article.

## Article 19

(1) The founding capital of the ­company for management of voluntary pension funds shall be at least EUR 500,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of payment.

(2) ­When the assets of the voluntary pension fund managed by the company for management of voluntary pension funds exceed EUR 50,000,000 and in any future case when the assets of the voluntary pension fund increase by additional EUR 50,000,000, that company shall be obliged within 45 working days to increase its capital to at least the following amount:

|  |  |
| --- | --- |
| *Assets of the voluntary pension fund* | *Capital of the company* |
| From EUR 50,000,001 to EUR 100,000,000 | EUR 1,000,000 |
| From EUR 150,000,001 to EUR 200,000,000 | EUR 1,500,000 |
| From EUR 250,000,001 to EUR 300,000,000 | EUR 2,000,000 |
| From EUR 350,000,001 to EUR 400,000,000 | EUR 2,500,000 |
| From EUR 450,000,001 to EUR 500,000,000 | EUR 3,000,000 |
| From EUR 550,000,001 to EUR 600,000,000 | EUR 3,500,000 |
| From EUR 650,000,001 to EUR 700,000,000 | EUR 4,000,000 |
| From EUR 750,000,001 to EUR 800,000,000 | EUR 4,500,000 |
| Over EUR 800,000,001 | EUR 5,000,000 |

(3) Euros ­shall be calculated in ­denar counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of payment.

(4) The company for management of voluntary pension funds shall be obliged to maintain the amount of the capital at any time, but not less than one half of the amount of the founding capital referred to in paragraph (1) of this Article.

(5) If there is an increase in the capital of the company for management of voluntary pension funds in accordance with paragraph (2) of this Article, that company shall be obliged to maintain the increased amount of the capital at any time.

(6) The company for management of voluntary pension funds shall be obliged at any time to maintain its own assets in an amount not less than one half of the amount of the founding capital referred to in paragraph (1) of this Article.

(7) If there is an increase in the capital of the company for management of voluntary pension funds in accordance with paragraph (2) of this Article, that company shall be obliged at any time to maintain its own assets in an amount not less than one half of the amount of the founding capital referred to in paragraph (2) of this article.

(8) The respective funds referred to in paragraphs (6) and (7) of this Article of the company for management of voluntary pension funds shall consist of the founding capital, reserves and other items, calculated according to the methodology prescribed by the Agency.

(9) The company for management of voluntary pension funds shall be obliged at any time to maintain the amount of liquid assets as a percentage of the founding capital referred to in paragraph (1) of this Article, i.e., the capital referred to in paragraph (2) of this Article.

(10) The minimum percentage of liquid assets referred to in paragraph (9) of this Article shall be prescribed by the Agency.

**Article 20**

(1) The founding capital of the ­company for management of mandatory and voluntary pension funds shall be at least EUR 1,800,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of payment.

(2) ­When the assets of the mandatory and voluntary pension funds managed by the company for management of mandatory and voluntary pension funds exceed EUR 100,000,000 and in each future case when the assets of the pension funds increase by additional EUR 100,000,000, that company shall be obliged within 45 working days to increase its capital to at least the following amount:

|  |  |
| --- | --- |
| *Assets of the mandatory and voluntary pension fund cumulatively* | *Capital of the company* |
| From EUR 100,000,001 to EUR 200,000,000 | EUR 2,800,000 |
| From EUR 200,000,001 to EUR 300,000,000 | EUR 3,800,000 |
| From EUR 300,000,001 to EUR 400,000,000 | EUR 4,800,000 |
| From EUR 400,000,001 to EUR 500,000,000 | EUR 5,800,000 |
| From EUR 500,000,001 to EUR 600,000,000 | EUR 6,800,000 |
| From EUR 600,000,001 to EUR 700,000,000 | EUR 7,800,000 |
| From EUR 700,000,001 to EUR 800,000,000 | EUR 8,800,000 |
| From EUR 800,000,001 to EUR 900,000,000 | EUR 9,800,000 |
| Over EUR 900,000,001 | EUR 10,000,000 |

(3) Euros ­shall be calculated in ­denar counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of payment.

(4) The ­company for management of mandatory and voluntary pension funds shall be obliged ­to maintain the amount of the capital at any time, but not less than one half of the amount of the founding capital referred to in paragraph (1) of this Article.

(5) ­If there is an increase in the capital of the company for management of mandatory and voluntary pension funds in accordance with paragraph (2) of this Article, that company shall be obliged to maintain the increased amount of the capital at any time.

(6) The company for management of mandatory and voluntary pension funds shall be obliged ­to maintain its own funds at any time in an amount not less than one half of the amount of the founding capital referred to in paragraph (1) of this Article.

(7) If there is an increase in the capital of the company for management of mandatory and voluntary pension funds in accordance with paragraph (2) of this Article, that company shall be obliged at any time to maintain its own funds in the amount of not less than one half of the amount of the capital referred to in paragraph (2) of this Article.

(8) The respective funds referred to in paragraphs (6) and (7) of this Article of the company for management of mandatory and voluntary pension funds shall consist of the founding capital, reserves and other items, calculated according to the methodology prescribed by the Agency.

(9) The company for management of mandatory and voluntary pension funds shall be obliged at any time to maintain the amount of liquid assets as a percentage of the founding capital referred to in paragraph (1) of this Article, i.e., the capital referred to in paragraph (2) of this Article.

## (10) The minimum percentage of liquid assets referred to in paragraph (9) of this Article shall be prescribed by the Agency.

## Article 21

(1) The founding capital of the company is paid only in cash.

(2) The founding capital of the company is paid in full before the registration of the company in the Central Register of the Republic of Macedonia.

(3) The Central Register of the Republic of Macedonia shall be obliged to notify the Agency of any change in the founding capital of the company within three days from the performed registration.

(4) The founding capital of the company shall be paid to an account opened in a bank or in a foreign bank that has a license to operate on the territory of the Republic of Macedonia, in accordance with the law.

**Article 22**

(1) The founding capital of the company must not come from loans and credits, nor be encumbered in any way.

(2) The founding capital of the company must originate from legal sources and be taxed in accordance with the regulations of the Republic of Macedonia and the regulations of the country in which each foreign shareholder is established as a legal entity.

**Article 23**

(1) The ­company shall be obliged to immediately notify the Agency of any reduction of the founding capital, capital, own funds or liquid assets below the amounts determined in Articles 19 and 20 of this Law.

(2) The Agency ­may revoke the license for management of a voluntary pension fund of the company for management of voluntary pension funds, if after reduction of the founding capital, capital, own funds or liquid assets below the required amount, the company will not increase the founding capital, capital, own funds or liquid assets up to the required amount, within a period not exceeding 12 months.

(3) The Agency ­may revoke the license for management of a voluntary pension fund and the license for management of a mandatory pension fund of a company for management of mandatory and voluntary pension funds, if after ­reduction of the founding capital, capital, own funds or liquid assets below the required amount, the company will not ­increase the founding capital, capital, own funds or liquid assets to the required amount, within a period not exceeding 12 months.

**Article 24**

1. A company may be established by domestic and foreign legal entities.

(2) The founders who own 51% of the founding capital of the company are banks, insurance companies, investment fund management companies, foreign pension fund management companies and other financial institutions, as well as other legal entities that, indirectly or not ­indirectly, own more than 50% of the shares with the right to manage financial institutions. If there is no founder or founders who own 51% of the founding capital of the company­, then all founders meet this requirement.

(3) The same legal entity may be a shareholder only in one company for management of voluntary pension funds.

(4) The same legal entity may be a shareholder only in one company for management of mandatory and voluntary pension funds.

(5) A shareholder of a company for management of voluntary pension funds may be a shareholder of a company for management of mandatory pension funds.

(6) A shareholder of a company for management of mandatory and voluntary pension funds may not be a shareholder of either a company for management of mandatory pension funds or a company for management of voluntary pension funds.

(7) A company for management of mandatory pension funds based in the Republic of Macedonia may not be a shareholder in a company for management of voluntary pension funds or in a company for management of mandatory and voluntary pension funds based in the Republic of Macedonia and vice versa.

(8) An insurer may be a shareholder in a company, in accordance with the law.

(9) Affiliated legal entities may be joint shareholders in only one company, except in the case of paragraph (5) of this Article.

(10) If there is a disturbance of the established relations determined by paragraphs (3), (4), (5) (6), (7), (8) and (9) of this Article, due to organizational, status changes, changes in the ownership or legal position of the legal entities, they shall be obliged to perform appropriate harmonization with the provisions of this Law, within 180 days from the occurrence of the change.

**Article 25**

(1) Founders of a company for management of voluntary pension funds that own 51% or more of the founding capital of the company, may be financial institutions which meet the following requirements:

a) to have:

1) own funds at least in the amount of EUR 9,000,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of applying for a license, if it is a bank;

2) capital at least in the amount of EUR 3,000,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of applying for a license, if it is an insurance company;

3) capital at least in the amount of EUR 500,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of applying for a license, if it is an investment fund management company;

4) capital at least in the amount of EUR 1,000,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of applying for a license, if it is a foreign pension fund management company; and

5) capital at least in the amount of EUR 5,000,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of applying for a license, for other financial institutions;

b) to be registered and have worked for at least three years;

c) to be continuously solvent in its operations in the Republic of Macedonia or abroad and

d) to have a management team composed of competent, professional and experienced persons.

(2) Founder of a company for management of voluntary pension funds which owns 51% or more of the founding capital of the company, may be a legal entity that owns more than 50% of the shares with the right to manage a financial institution that meets the requirements of paragraph (1) of this Article.

(3) Founder of a company for management of voluntary pension funds which owns less than 51% of the founding capital of the company may be a legal entity that meets the requirements of paragraph (1) items b), c) and d) of this Article.

(4) If there is no founder or founders who own 51% of the founding capital of the company ­for management of voluntary pension funds, then all founders meet the conditions referred to in paragraph (1) of this Article.

**Article 26**

(1) Founder of a company for management of mandatory and voluntary pension funds may be a legal entity that meets the following conditions:

a) to have capital at least ­in the amount of EUR 20,000,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia on the day of applying for a license;

b) to be registered and have worked for at least ­three years;

c) to be ­continuously solvent in its operations in the Republic ­of Macedonia or abroad and

d) to have a ­stable management team composed of competent, professional and experienced people.

(2) If a foreign financial institution appears as a founder, in addition to the conditions referred to in paragraph (1) of this Article, it must have a rating recommended for investing according to renowned international credit rating agencies, for at least one year before registering as a founder.

(3) The Agency ­shall prescribe in detail the conditions referred to in Articles 24 and 25 of this Law and paragraphs (1) and (2) of this Article.

**Article 27**

(1) Any acquisition or transfer of the shares of the company shall be subject to prior consent of the Agency, otherwise they shall be considered null and void.

(2) The company shall submit to the Agency a request for consent for acquisition or transfer of shares on behalf of the person intending to acquire shares or transfer the shares.

(3) The Agency shall give consent for acquisition or transfer of the shares of the company within 30 days from the day of submitting the request referred to in paragraph (2) of this Article, if the applicant meets the legal requirements to become a founder of the company.

(4) The obligation referred to in paragraph (1) of this Article shall not apply to share transactions if after the performed transaction, the buyer or the affiliated party, jointly have not acquired more than 3% of the founding capital of the company.

(5) If there are only two companies for management of mandatory and voluntary pension funds, one company may not buy shares from the other company for management of mandatory and voluntary pension funds and they may not be merged, joined, divided or otherwise reorganized.

**Article 28**

(1) ­The management board of the company shall be composed of at least two members.

(2) ­The supervisory board of the company shall be composed of at least four members.

(3) If the number of members of the management board is reduced below the one projected in paragraph (1) of this Article, the supervisory board shall be obliged to appoint an acting member of the management board from among its members. The member of the supervisory board who has been appointed acting in the period of performing this duty, must not participate in the decision making that is in the competence of the supervisory board. The acting is subject to entry in the Central Register.

(4) A ­person may be appointed a member of the management board and the supervisory board who, in addition to the conditions provided in the Law on Trade Companies, also meets the following conditions:

a) has a higher education;

b) has ­work experience of at least five years in the field of law, banking, accounting, insurance, asset management and investment, management of mandatory and/or voluntary pension funds or financial services, of which three years of work experience in a managerial position;

c) is not serving a misdemeanor sanction of prohibition to perform a profession, activity or duty in the areas referred to in item b) of this paragraph;

d) is not serving a sentence for a crime in the field of finance and banking and causing bankruptcy of a legal entity; and

e) has a good reputation which will ensure safe and stable operation of the company and the pension fund.

(5) The Agency ex officio shall provide information from the competent institutions in the Republic of Macedonia for paragraph (4) items c) and d) of this Article, and the foreigner himself shall provide such information from the competent institutions in the foreign country.

(6) In addition to the conditions referred to in paragraph (4) of this Article, a member of the management board of the company should additionally fulfill the following conditions:

a) to know the regulations in the field of fully funded pension insurance and

b) to submit a work program for the company and the pension fund from its scope of work.

(7) At least one of the members of the management board should have passed the exam for investment advisor or other appropriate exam from a competent institution abroad.

(8) When electing the members of the supervisory board, it shall be indicated which members are elected as independent members of the supervisory board.

(9) The members of the management board of the company should be employed in the company after receiving the license from the Agency.

(10) The Agency shall annul, i.e., revoke the license for a member of the management or supervisory board when it determines that:

a) the decision to grant license was made on the basis of untrue and incorrect data;

b) in the period after the issuance of the license receives documentary evidence that the member no longer meets the requirements of this article;

c) the member has violated the rules of good corporate governance, does not work in accordance with the submitted work program, does not implement the business policy of the company and the pension fund or otherwise endangers the interests of the members of the pension fund and

d) the member of the management board has not been employed in the company.

**Article 29**

(1) Member of the management board, supervisory board and responsible person for: investment decisions, risk management, internal audit, individual accounts, marketing, control of agents and calculation of programmed withdrawals in the company for management of voluntary pension funds cannot be a member of the management board or of the supervisory board or work as a manager in:

a) another company for management of voluntary pension funds;

b) company for management of mandatory pension funds;

c) company for management of mandatory and voluntary pension funds;

d) a foreign manager elected to manage the assets of the voluntary pension funds he/she manages;

e) custodian of property in which the assets of the voluntary pension fund are kept; and

f) any person who has the status of an affiliated person with the entities referred to in items a), b), c), d) and e) of this paragraph.

(2) As an exception, the prohibition referred to in paragraph (1) item b) of this Article shall not apply to members of the supervisory board of a company for management of mandatory pension funds in case when the company for management of mandatory pension funds and the company for management of voluntary pension funds are affiliated persons.

(3) The prohibition from paragraph (1) of this article also refers to the persons that are employed or more ­affiliated on the basis of a contract for work with the subjects from paragraph (1) of this article.

(4) The person from paragraphs (1), (2) and (3) of this article shall be obliged to fulfill the conditions from this article from the day when he/she will be appointed as a member of the management board or supervisory board of the company for management of voluntary pension funds, i.e., general manager or director. The person shall not be obliged to meet these conditions at the time of applying for a license to establish a company for management of voluntary pension funds or requesting consent for membership in the management or supervisory board.

**Article 30**

(1) Member of the ­management board, supervisory board and responsible person for: investment decisions, risk management, internal audit, individual accounts, marketing, control of agents and calculation of programmed withdrawals in the company for management of mandatory and voluntary pensions ­funds may not be a member of a management board or a supervisory board or work as a manager in:

a) other ­company for management of mandatory and voluntary pension ­funds;

b) company for management of voluntary pension funds;

c) company for management of mandatory pension funds;

d) a foreign ­manager elected to manage the assets of the pension funds he/she manages;

e) custodian of property in which the assets of the pension funds are kept; and

f) any ­person who has the status of an affiliated person with the entities referred to in items a), b), c), d) and e) of this paragraph.

(2) The prohibition referred to in paragraph (1) of this Article shall also apply to the persons who are employed or affiliated on the basis of a work contract with the entities referred to in paragraph (1) of this Article.

(3) ­The person referred to in paragraphs (1) and (2) of this Article shall be obliged to fulfill the conditions from this Article from the day when he/she will be appointed as a member of the management board or supervisory board of the company for managing ­mandatory and voluntary pensions funds. The person shall not be obliged to meet these conditions at the time of applying for a license to establish a company for management of mandatory and voluntary pension funds or requesting consent for membership in the management or supervisory board.

Article 30-a

1. Member of the management board, supervisory board, person responsible for: investment decisions, risk management, internal audit, individual accounts, marketing, control of agents and calculation of programmed withdrawals in the company and the body of the company has a fiduciary duty to work only for the benefit of the interests of members and retired members of the mandatory and/or voluntary pension fund. This duty should be performed by applying high standards of ethics and integrity and without conflict of interest and to ensure their request by every employee and engaged person in the company.
2. Member of the management board, supervisory board and responsible person for: investment decisions, risk management, internal audit, individual accounts, marketing, control of agents and calculation of programmed withdrawals in the company should have adequate management and operational competence to perform the duties assigned to them and always be informed of matters relating to their scope of work.

Article 30-b

(1) The company shall be obliged to establish efficient control mechanisms that are documented in its internal acts in order to mitigate all risks that affect the interests of the members and retired members of the mandatory and/or voluntary pension fund.

(2) The company shall be obliged to establish a procedure and to appoint a person for monitoring and ensuring compliance of the operation with law, bylaws and internal acts of the company.

# Article 31

(1) The company for management of voluntary pension funds shall be liable to the members and retired members of the voluntary pension fund for the damages that occurred as a result of non-performance, improper or negligent performance of the tasks and obligations determined in this Law, in relation to the management and representation of a separate voluntary pension fund, unless the poor and inadequate results are due to circumstances which the company could not influence and which could not be changed by the company even in the case of the highest degree of conscientiousness.

(2) The company for management of mandatory and voluntary pension funds shall be liable to the members and retired members of the mandatory and voluntary pension fund for the damages caused as a result of non-performance, improper or negligent performance of the tasks and obligations determined in this Law, in relation to the management and representation of a separate pension fund, unless the poor and inadequate results are due to circumstances which the company could not influence and which could not be changed by the company even in the case of the highest degree of conscientiousness.

(3) The damages referred to in paragraphs (1) and (2) of this Article, caused due to non-performance, improper or negligent performance of the tasks and obligations, must not be covered by the funds of the pension fund.

(4) Transfer of the performance of certain obligations to a third party shall not release the company from liability.

**Article 32**

(1) The company must not use its funds for:

a) acquisition or takeover of shares and other securities or investments in other legal entities, except for acquisition of treasury bills and bonds issued by the Republic of Macedonia;

b) lending and providing guarantees or other collateral, except those prescribed by this Law;

c) taking loans and credits and issuing bonds, in a total value exceeding a certain percentage of the capital, which is determined by the Agency or

d) purchase or sale of securities if such trading would prevent the purchase or sale of securities from the assets of the pension fund it manages or if the purchase and sale of securities with the assets of the pension fund would be realized in more unfavorable conditions for that fund.

(2) As an exception to paragraph (1) item a) of this Article, the company for management of voluntary pension funds may use its funds to purchase shares in an entity that performs records, trading in long-term securities, marketing or other administrative activities for the company, provided that that entity performs the services exclusively for that company or for a company for management of mandatory pension funds that is a person affiliated to the company.

(3) As an exception to paragraph (1) item a) of this Article, the company for management of mandatory and voluntary pension funds may use its funds to purchase shares in an entity that performs records, trading in long-term securities, marketing or other administrative activities for the company, provided that that entity performs the services exclusively for that company.

(4) The company may not own more than 10% of the founding capital of the entities referred to in paragraphs (2) and (3) of this Article.

**Article 33**

(1) The ­company shall be obliged to keep complete, accurate and up-to-date records for the voluntary individual account and/or professional account of each member and retired member of the voluntary pension fund, for paid voluntary contributions, i.e., paid and transferred ­funds, the number of accounting units of the account and the value of the account, as well as other data determined by law.

(2) The company shall be obliged to archive and keep, in accordance with the law, all documents and other records related to the pension fund it manages, and in particular:

a) data on members and retired members and on previous members and retired members including name, surname and address, unique identification number and the amount of the individual account at the moment of leaving the pension fund; and

b) data on all purchased and sold assets for the pension fund it manages, the date of the transactions, the identity of the other contracting party and the realized price.

(3) The company shall be obliged to keep records with all data contained on the voluntary individual accounts and on the professional accounts, based on the information as of the last working day of each calendar year and on external media.

(4) All documents and other records must be kept for a period of 50 years.

(5) After the expiration of the time of ten years from the creation of a document or record, it can be kept only as an electronic record.

(6) The company shall be obliged to provide protection of the personal data of the members and the retired members of the pension funds, in accordance with the Law on Personal Data Protection.

(7) In case the company ceases to manage the pension fund, it shall be obliged to act in accordance with the provisions of paragraphs (2) and (3) of this Article.

(8) The Agency shall prescribe the content and the manner of keeping, archiving and storing the records referred to in paragraphs (1) and (2) of this Article.

**(9) The person responsible for individual accounts shall be responsible for proper and timely keeping, archiving and storing records of the voluntary individual and professional account of each member and a retired member of the voluntary pension fund, in accordance with the provisions of this Article.**

**Article 34**

(1) The company shall be obliged to have a special organizational unit for internal audit managed by an internal auditor who shall be accountable for his/her work to the supervisory board of the company.

(2) The organizational unit referred to in paragraph (1) of this Article shall exercise constant and complete control over the legality and timeliness of the operation of the company, especially the management of the assets of the mandatory and/or voluntary pension fund through, but not limited to:

a) assessment of the adequacy and efficiency of the internal control systems;

b) assessment of the location of the information system;

c) assessment of the accuracy and reliability of the financial statements of the company and the mandatory and/or voluntary pension fund;

d) checking the accuracy, reliability and timeliness of the reporting in accordance with the law and bylaws in the respective area;

e) monitoring the observance of the regulations, policies and procedures in the field of operation of the company, including the risk management policies and the code of ethics of the company;

f) evaluation of the systems for prevention of money laundering and financing of terrorism;

g) evaluation of the services that the company receives from external associates;

h) assessment of the general efficiency of the company's operations.

i) assessment of the risk management process and

j) evaluation of the process of payment of pension benefits through programmed withdrawals, lump sum payments and multiple payments.

(3) The organizational unit from paragraph (1) of this article shall prepare an annual work plan for the next year in which the subject of the audit shall be obligatorily stated with a description of the content of the planned audit in certain areas and schedule of controls during the year with planned duration to implement controls. The supervisory board of the company shall approve the annual work plan and submit it to the Agency within 15 days from the day of its license.

(4) The organizational unit referred to in paragraph (1) of this Article shall prepare a report on its operations for the previous year and submit it to the supervisory board of the company for license and at the same time submit it to the Agency no later than March 31.

(5) The supervisory board of the company shall submit the adopted report referred to in paragraph (4) of this Article to the assembly of shareholders of the company and at the same time shall submit it to the Agency.

(6) A person employed in the organizational unit referred to in paragraph (1) of this Article shall perform activities only for the internal audit.

Article 34-a

(1) The company shall be obliged to appoint a person responsible for the calculation of programmed withdrawals, i.e., an authorized actuary who shall be accountable for his/her work before the management board of the company.

(2) If the authorized actuary ceases to perform actuarial activities in the company, the company shall be obliged to inform the Agency within five days from the termination.

(3) The company shall be obliged to appoint a new authorized actuary within 30 days from the day of the termination of the activities of the authorized actuary.

(4) The company must not appoint an authorized actuary who has ties to the company in accordance with this Law.

(5) The authorized actuary shall be obliged to give instructions for calculations of the programmed withdrawals and to check whether the made calculations and the used mortality tables and interest rates are calculated in accordance with the law and the bylaws prescribed by the Agency.

(6) The authorized actuary shall be obliged to check the liquidity of the mandatory and/or voluntary pension fund.

(7) Every quarter, the authorized actuary shall prepare a certificate with an opinion on the undertaken actions referred to in paragraphs (5) and (6) of this Article in a manner, content and form prescribed by the Agency.

(8) The authorized actuary shall submit the certificate with an opinion referred to in paragraph (7) of this Article to the management board of the company.

(9) The authorized actuary shall prepare a report on its operation for the previous year and submits it for license to the supervisory board of the company.

(10) If the authorized actuary during the performance of his/her work determines that the programmed withdrawals are not calculated in accordance with the law and bylaws prescribed by the Agency, he/she shall be obliged to immediately notify the management board of the company. If the management board does not take into account the notification of the authorized actuary, he/she shall be obliged to immediately notify the Agency.

Article 34-b

1. The Company shall be obliged to establish risk management activities of the mandatory and/or voluntary pension fund.

(2) The company shall be obliged to appoint a person responsible for risk management who should have appropriate qualifications to perform activities related to risk management and to have no conflict of interest.

(3) The person referred to in paragraph (2) of this Article should have access to the data in the company. The person shall be obliged to provide an objective risk analysis and to properly advise the management board when making decisions, taking into account all relevant risks.

(4) The person referred to in paragraph (2) of this Article shall submit a report to the management board of the company.

(5) The report referred to in paragraph (4) of this Article shall be submitted by the company to the Agency, at least once a year, i.e., immediately if it is determined that a serious threat to the interests of the members and retired members has occurred.

**Article 35**

(1) The company shall be obliged to have an external certified auditor who must not be a person affiliated to the company or to the shareholders of the company, the foreign asset manager or the custodian and to whom no measures have been imposed by the Institute of certified auditors in the last three years. The same external certified auditor may perform up to three consecutive annual audits of the same company.

(2) The company shall be obliged to publish an excerpt from the audited financial report with the opinion of the certified auditor, in at least one daily newspaper and on its website, within 15 days from the adoption of the report by the assembly of shareholders of the company.

Article 35-a

The Company shall be obliged to provide, maintain, record, archive, submit and publish accurate and up-to-date notices, data and information.

**Article 36**

(1) Representatives of the company must participate in trainings in the field of fully funded pension insurance organized by the Agency.

(2) The Agency shall prescribe the type of trainings and the manner of their implementation.

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# CHAPTER 4 ESTABLISHMENT OF A COMPANY FOR MANAGEMENT OF VOLUNTARY PENSION FUNDS

**Article 37**

(1) A company for management of voluntary pension funds shall be established on the basis of a license issued by the Agency, and after the establishment, it shall receive license from the Agency for management of a voluntary pension fund.

(2) The company for management of voluntary pension funds shall be registered In the Central Register of the Republic of Macedonia only if it has a license from the Agency issued in accordance with the conditions prescribed by this Law.

(3) The Agency shall prescribe in detail the manner of obtaining a license for establishment and license for management of a pension fund.

**Article 38**

(1) In order to obtain a license for establishing a company for management of voluntary pension funds, the interested persons shall submit a request to the Agency with the documentation referred to in Article 39 of this Law and a business plan containing details of all fees and commissions to be charged in accordance with this law. A request for ­license for management of voluntary pension ­funds and the request for registration of the voluntary pension fund in the register of mandatory and voluntary pension funds shall be submitted together with the request for a license for the establishment of a company.

(2) The requests referred to in paragraph (1) of this Article shall be ­signed by authorized signatories of the ­person ­or persons who would be founders of a company, in a form ­prescribed by the Agency. In case ­there are several persons who have an interest to act as one applicant, the requests with documentation shall be submitted jointly on behalf of all persons.

# Article 39

(1) The following documentation shall be submitted along with the requests referred to in Article 38 items (1) of this Law:

a) a draft statute of the future company for management of voluntary pension funds;

b) a draft statute of the voluntary pension fund that will be managed;

c) a draft contract with the custodian;

d) a signed statement by authorized signatories of all persons who would be founders, if they receive permission to establish a company for management of voluntary pension funds and a voluntary pension fund in accordance with this Law;

e) a list of founders and data on the connection of legal entities and explanations on the nature of such connection;

f) for all persons who would be founders, certified copies of the statutes or other founding acts of the companies and excerpt from competent authority in which they are ­registered, names and addresses of board members and certified copies of the last three financial statements audited by an external certified auditor, as well as any additional evidence necessary to show that the requirements of Article 25 of this Law are met;

g) documents confirming that on the date of request for a license, the founders who will own 51% of the founding capital of the company for management of voluntary pension funds have extensive experience in asset management;

h) proof of the origin of the financial assets that will be paid in the name of founding capital to the company for management of voluntary pension funds;

i) a list of candidates for members of the management board and the supervisory board of the company for management of voluntary pension funds together with statements with which they agree to perform these functions if they obtain a license for establishment, and to meet all the conditions prescribed by this law including resignation from any position that constitutes a conflict of interest and is prohibited by this law, as well as a description of their professional qualifications and previous professional experience with recommendations;

j) data on persons proposed to be responsible for investment decisions, calculation of programmed withdrawals, risk management, internal audit, individual accounts, marketing and control of agents;

k) repealed by Decision of the Constitutional Court of the Republic of Macedonia no. 117/2008, published in the "Official Gazette of the Republic of Macedonia" no. 162/2008;

l) a program for implementation of the establishment of a company for management of voluntary pension funds and the voluntary pension fund, as well as an organizational program for the structure of the company;

m) an information prospectus for the voluntary pension fund, program for investment strategy of the voluntary pension fund and program for prevention of money laundering and financing of terrorism;

n) a signed ­statement by authorized signatories of all persons who would be founders that ­after ­obtaining license for management of a voluntary pension fund, ­the company for management of voluntary pension funds will be included in the Center for electronic listing system (hereinafter: The Center) in accordance with the Law on Payment of Pensions and Pension Benefits from Fully Funded Pension Insurance and

o) other documents prescribed by the Agency.

(2) Upon ­receipt of the requirements referred to in Article 38 paragraph (1) of this Law, the Agency ­may request submission of additional documents and data.

(3) The Agency ­may additionally examine ­certain facts regarding the requests and the ­documents and for that purpose it may ­:

a) request information from the Office for Prevention of Money Laundering and Financing of Terrorism for the involvement of the founders in cases of money laundering or financing of terrorism;

b) contact ­other competent regulatory and supervisory bodies and institutions in the Republic of Macedonia and abroad; and

c) collect documents and data from other sources.

## Article 40

The Agency shall issue a license for establishing a company for the management of voluntary pension funds and conditional license for management of a voluntary pension fund to applicants, based on the documents and data from Article 39 of this Law, if it is not contrary to the interests of persons who ­may become members or become retired members of the future voluntary pension ­fund which will be established in accordance with this Law and after fulfilling the following conditions:

a) that the documents and the available data show that the interested persons have financial resources for that purpose;

b) that the documents and the available data show that the interested persons meet the conditions for founders from articles 24 and 25 of this law;

c) that the documents and the available data show that the persons proposed for members of the management board and the supervisory board and the persons responsible for the investment management meet the conditions determined by this Law;

d) that the proposed name of the future voluntary pension company or the name of the voluntary pension fund will not mislead the members and retired members of the fund, future members and retired members and any other person who may have contacts with the company and the pension fund and

e) that the operation of the company for management of voluntary pension funds and the voluntary pension fund will be performed in accordance with the standards of pension fund management and good business practices.

. **Article 41**

(1) The Agency shall decide on the requests referred to in Article 38 paragraph (1) of this Law within 60 days from the receipt of the requests.

(2) The Agency shall issue a license for the establishment of a company for management of voluntary pension funds and a conditional license for management of a voluntary pension fund to the interested persons whose requests have been accepted.

(3) The interested persons who have been issued a license for establishment and conditional license for management of a pension fund, shall be obliged to establish a company in accordance with the submitted documentation in accordance with the Law on Trade Companies and this Law. The company must be established within 90 days from the receipt of the license, and for justified reasons the Agency can extend the deadline for a maximum of 90 days.

(4) If ­the interested persons who have been ­issued a license for establishment do not establish a company within the deadline determined in paragraph (3) of this Article, after ­the expiration of that deadline, the Agency shall revoke the license for establishment.

**Article 42**

(1) The Agency shall submit a decision with an explanation for the refusal to the interested persons who have not been issued a permit. These decisions shall be available to the public.

(2) Against the decision referred to in paragraph (1) of this Article, the interested person may file a lawsuit for initiating an administrative dispute to a competent court. The lawsuit shall not delay the execution of the decision.

## Article 43

(1) The company for management of voluntary pension funds shall inform the Agency on the establishment and registration in the Central Register of the Republic of Macedonia within 30 days from the performed registration. The company shall be obliged to submit a certified copy of the statute of the company, the latest versions of the documents referred to in Article 39 paragraph (1) items b) and c) of this Law and other documents related to the operation of the voluntary pension fund prescribed by the Agency.

(2) After fulfilling the conditions provided in Article 41 paragraph (3) of this Law and paragraph (1) of this Article, the conditional license for managing a voluntary pension fund shall become valid.

(3) After the license for management of a voluntary pension fund becomes valid, the Agency shall register the voluntary pension fund in the register of mandatory and voluntary pension funds and shall assign an identification number to it.

(4) The registration of the voluntary pension fund in the register of mandatory and voluntary pension funds shall have legal effect towards third parties on the day following the day of registration in the register of mandatory and voluntary pension funds.

(5) The company shall be obliged within 90 days from the day of validity of the license for management of a voluntary pension fund, in accordance with paragraph (2) of this Article, to be included in the Center in accordance with the Law on Payment of Pensions and Pension Benefits from fully funded pension insurance.

(6) A company for management of voluntary pension funds may not start with activities of pension fund management, as well as marketing and public opinion examination before the entry in the Central Register of the Republic of Macedonia and before the date determined by the Agency.

## Article 44

(1) All changes of the shareholders, members of the management and supervisory board, responsible persons or amendments to the documents and data referred to in Article 39 of this Law shall be subject to license by the Agency, unless the changes are beyond the control of the company, and the company has taken all necessary measures to prevent those changes. The company shall be obliged to inform the Agency about the changes made outside the control of the company.

(2) The Agency ­shall evaluate the changes referred to in paragraph (1) in accordance with the provisions for fulfilling the conditions referred to in Article 40 of this Article ­.

(3) The Agency shall prescribe the manner and the procedure for granting the license referred to in paragraph (1) of this Article.

## Article 45

(1) The Agency ­may withdraw or revoke the license for management of a voluntary pension fund for the same reasons for which it rejects a request due to non-submission of the documents referred to in Article 39 of this Law for ­failure or non-fulfillment of the conditions referred to in Articles 40 and 43 paragraph (5) of this Law, misuse of personal data of members or retired members, at the ­request of a company for management of voluntary pension funds, gross ­violation of the provisions of this­ and the Law on Prevention of Money Laundering and Other Proceeds from Crime and Financing of Terrorism, as well as in other cases determined by this Law.

(2) Before withdrawing or revoking the license for management of a voluntary pension fund, the Agency shall provide the company for management of voluntary pension funds with an opportunity to eliminate the illegalities in the operation within a deadline determined by the Agency, unless it considers that such possibility would be contrary to the interests of the members and the retired members of the voluntary pension fund or the public interest.

(3) The Agency shall immediately inform the company for management of voluntary pension funds about the decision to withdraw or revoke the license for voluntary pension fund management.

(4) Against ­the decision of the Agency referred to in paragraph (1) of this Article, the company for management of voluntary pension funds may file a lawsuit for initiating an administrative dispute to a competent court. The lawsuit does shall not delay the execution of the decision.

(5) The Agency ­shall more closely regulate the manner of withdrawal or revocation of the license for management of a voluntary pension ­fund referred to in paragraph (1) of this Article.

(6) After revoking the license for managing a voluntary pension fund, the provisions for liquidation of companies from the Law on Trade Companies or the provisions from the Bankruptcy Law shall be appropriately applied to the company that managed that pension fund.

**Article 46**

(1) The company for management of voluntary pension funds to which the license for management of voluntary pension fund has been withdrawn on the basis of Article 45 of this Law shall continue to operate under the supervision of the Agency, in a manner prescribed by the Agency.

(2) If the company for management of voluntary pension funds has had its license for management of voluntary pension funds revoked, based on Article 45 of this Law, in order to protect the interests of the members and the retired members of the pension funds, the Agency shall take over the management and the operations of that pension fund, until the finality of the decision to revoke the license, in a manner prescribed by the Agency.

(3) When the decision for revocation of the license becomes final, the Agency shall distribute the members and the retired members in the existing voluntary pension funds at random in a manner prescribed by the Agency. If there is no voluntary pension fund, the Agency shall manage the pension fund that was managed by the company whose license for managing a voluntary pension fund has been revoked, until the establishment, i.e., change of the registration of the company.

(4) When ­distributing the members and retired members of the voluntary pension ­funds in accordance with paragraph (3) of this Article, the Agency ­shall ensure that the number of members distributed in each separate pension fund is determined according to the return of the pension fund and the amount of the compensation referred to in Article 117 paragraph (1) items a) and b) of this Law charged by the company that manages that pension fund, to ­the amount determined by the Agency.

## Article 47

A company for management of voluntary pension funds can only be merged with another company for management of voluntary pension funds.

## Article 48

(1) By merging the companies referred to in Article 47 of this Law, a new company shall be established.

(2) The new company shall be established on the basis of a license issued by the Agency, and after the establishment, it shall receive license from the Agency for management of a voluntary pension fund.

(3) In order to obtain a license for establishment of a new company for management of voluntary pension funds, the existing companies shall submit to the Agency a request with the documentation referred to in paragraph (5) of this Article and a business plan that contains the details of all fees and commissions that will be charged in accordance with this Law. Request for ­license ­for management of a voluntary pension ­fund and the request for registration of the voluntary pension ­fund in the register of mandatory and voluntary pension funds shall be submitted together with the request for a license for the establishment of a company.

(4) The requests referred to in paragraph (3) of this Article shall be ­signed by authorized signatories of the existing companies for managing voluntary pension funds that would be ­the founders of the new company­, in a form ­prescribed by the Agency.

(5) In addition to the requirements referred to in paragraph (3) of this Article, the companies for management of voluntary pension funds shall submit the following documents:

a) a decision for merger adopted by a competent body of each of the companies;

b) a merger contract;

c) an organizational and financial plan for implementation of the new company;

d) the name of the new company and the new pension fund;

e) information on whether the shareholders are affiliated persons;

f) documents on the financial condition of the shareholders of each company, for all years since its establishment, and at most for a period of five years preceding the date of submission of the request, including documents confirming that none of the shareholders has arrears taxes and social security contributions;

g) a revised information prospectus for the new voluntary pension fund;

h) a draft statute of the new voluntary pension fund stating the planned benefits;

i) a draft contract with the custodian for the new voluntary pension fund and details for termination of the existing contracts;

j) names of the proposed members of the management and supervisory board and if these persons are not part of the merging companies and information from Article 39 paragraph (1) item i) of this Law;

k) data on persons proposed to be responsible for investment decisions, calculation of programmed withdrawals, risk management, internal audit, individual accounts, marketing and control of agents;

l) a program for the investment strategy of the new voluntary pension fund;

m) a ­written statement from the authorized signatories of the merging companies that after obtaining license for managing a voluntary pension fund, the new ­company ­will join the Center in accordance with the Law on Payment of Pensions and Pension Benefits from Fully Funded Pension Insurance and

n) other documents prescribed by the Agency.

(6) The Agency shall issue a license for establishment of a new company for management of voluntary pension funds and license for management of voluntary pension fund on the basis of the documents referred to in paragraph (5) of this Article and after fulfilling the conditions of this Law.

(7) After the license for management of a voluntary pension fund becomes valid, the Agency shall register the voluntary pension fund in the register of mandatory and voluntary pension funds and shall assign an identification number to it.

(8) The registration of the voluntary pension fund in the register of mandatory and voluntary pension funds shall have legal effect towards third parties on the day following the day of registration in the register of mandatory and voluntary pension funds.

(9) The new company for management of voluntary pension funds shall be the legal successor of the two companies for management of voluntary pension funds that founded it.

(10) The Agency shall more closely regulate the manner of merging the companies referred to in Article 47 of this Law and the pension funds referred to in Article 50 paragraph (1) of this Law.

## Article 49

The Agency may reject a request for merger of companies for management of voluntary pension funds, if:

a) the request with the documentation does not meet the requirements of this Law;

b) the documents attached to the request or other information indicate that any of the companies that are merged in the period of five years before the submission of the request have arrears on the basis of unpaid taxes and social security contributions;

c) the shares of any of the companies originate from a loan, credit or are encumbered in any way;

d) the business activities of the applicants do not guarantee that the new company and the pension funds it will manage will be managed in the best interest of the members and the retired members; and

e) the merger endangers the interests of the members and the retired members of the pension funds or other public interest.

## Article 50

(1) The voluntary pension funds shall be merged at the same time with the companies that managed those pension funds and a voluntary pension fund shall be established.

(2) After the merger of the pension funds referred to in paragraph (1) of this Article, the new voluntary pension fund shall take over the rights and obligations from the merged pension funds.

## Article 51

Prior to the merger of the companies referred to in Article 47 of this Law, the companies shall notify all members, retired members and insurers in writing of the merger decision. After the merger, the new company for management of voluntary pension funds shall notify all members, retired members and insurers about the name of the new company, the name of the new pension fund and shall submit a copy of the information prospectus, the statute of the new company and the statute of the new pension fund.

## Article 52

(1) A company for management of voluntary pension funds may merge only with a company for management of voluntary pension funds.

(2) In case of merger of one company with another from paragraph (1) of this Article, the voluntary pension fund managed by the merging company shall be merged with the voluntary pension fund managed by the merging company.

(3) Before merging the voluntary pension funds, the company to which the merger is performed shall notify in writing all members, retired members and insurers.

(4) By merging the voluntary pension funds to each other, the members and the retired members, the voluntary individual accounts and the professional accounts from the pension fund that is being merged shall be transferred to the pension fund to which they are merging.

(5) The Agency shall prescribe in more detail the manner of merging the companies and the pension funds referred to in this Article.

# 

# CHAPTER 5 ESTABLISHMENT OF A COMPANY FOR MANAGEMENT OF MANDATORY AND VOLUNTARY PENSION FUNDS

**Article 53**

(1) A company for management of mandatory and voluntary pension funds shall be established on the basis of a license for establishing a company issued by the Agency, and after the establishment, it shall receive a license from the Agency for managing a mandatory pension fund and a license for managing a voluntary pension fund.

(2) The company for management of mandatory and voluntary pension funds shall be registered in the Central Register of the Republic of Macedonia only if it has a license from the Agency issued in accordance with the conditions prescribed by this Law.

(3) The Agency shall prescribe in detail the manner of obtaining a license for establishment and licenses for management of pension funds.

**Article 54**

(1) In order to obtain a license for establishing a company for management of mandatory and voluntary pension funds, the interested persons shall submit to the Agency a request with the documentation referred to in Article 55 of this Law and business plan containing the details of all fees and commissions to be charged in accordance with the law. Requests ­for licenses for managing a mandatory and voluntary pension fund and requests for registering a mandatory and voluntary pension ­fund in the register of mandatory and voluntary pension funds shall be submitted together with the request for a license to establish a company.

(2) The requests referred to in paragraph (1) of this Article shall be ­signed by authorized signatories of the ­person ­or persons who would be founders of a company, in a form ­prescribed by the Agency. In case ­there are several persons who have an interest to act as one applicant, the requests with documentation shall be submitted jointly on behalf of all persons.

**Article 55**

(1) The following documentation shall be submitted to ­the requests referred to in Article 54 paragraph (1) of this Law:

a) a draft statute of the company for management of mandatory and voluntary pension funds;

b) a draft statute of the pension ­funds they will manage ­;

c) a ­draft contract with the custodian;

d) a signed ­statement by authorized signatories of all persons who would be founders, if they receive permission to establish a company and pension funds, in ­accordance with this Law;

e) a list ­of founders and data on the connection of legal entities and explanations on the nature of such connection;

f) for all ­persons who would be founders, certified copies of the statutes or other founding acts and an excerpt from the competent authority in which they are ­registered, names ­and addresses of ­new members of the boards and certified copies of the last three financial statements audited by external certified auditor, as well as any additional evidence necessary to show that the requirements of Article 26 of this Law are met;

g) documents confirming that on the date of submission of the requests, the ­founders who will hold 51% of the founding capital of the company have extensive experience in asset management;

h) proof of origin of the financial assets that will be paid as founding capital of the company­;

i) a list ­of candidates for members of the management board and the supervisory board of the company together with statements with which they agree to perform these functions if they obtain a license for establishment, and to ­meet all the requirements prescribed by this Law, including withdrawal from any function that constitutes a conflict of interest and is prohibited by this law, as well as a description of their professional qualifications and previous professional experience with recommendations;

j) data on persons proposed to be responsible for investment decisions, calculation of programmed withdrawals, risk management, internal audit, individual accounts, marketing and control of agents;

k) repealed by Decision of the Constitutional Court of the Republic of Macedonia no. 117/2008, published in the "Official Gazette of the Republic of Macedonia" no. 162/2008;

l) a program for implementation ­of the establishment of a company and pension funds, as ­well as an organizational plan for the structure of the company;

m) information prospectuses on pension funds, programs for investment strategy of pension funds and a program for prevention of money laundering and financing of terrorism;

n) a signed ­statement by authorized signatories of all persons who would be founders that ­after obtaining license for management of a voluntary pension fund and license for management of a mandatory pension fund, ­the company for management of mandatory and voluntary pension funds will join the Center in accordance with the Law on Payment of Pensions and Pension Benefits from Fully Funded Pension Insurance and

o) other documents ­required by ­the Agency.

(2) Upon receipt of the requests ­referred to in Article 54 paragraph (1) of this Law, the Agency ­may request submission of additional documents and data.

(3) The Agency ­may additionally examine ­certain facts regarding the requests and documents ­and for that purpose may­:

a) request information from the Office for Prevention of Money Laundering and Financing of Terrorism for the involvement of the founders in cases of money laundering or financing of terrorism;

b) contact ­other competent regulatory and supervisory bodies and institutions in the Republic of Macedonia and abroad; and

c) collect documents and data from other sources.

**Article 56**

The Agency shall issue a license for establishing a company for managing of mandatory and voluntary pension funds and conditional licenses for managing pension funds of applicants, based on the documents and data from Article 55 of this Law, if it is not contrary to the interests of persons who could become members or become retired members of the future pension funds that will be established in accordance with this Law and after fulfilling the following conditions:

a) the documents and available data to show that the interested persons have financial resources for that purpose;

b) the documents and the available data to show that the interested persons meet the conditions for founders from articles 24 and 26 of this law;

c) the documents and the available data to show that the persons proposed for members of the management board and the supervisory board and the persons responsible for the investment management meet the conditions determined by this Law;

d) that the proposed name of the future company or the names of the pension funds will not mislead the members and retired members of the fund, future members or retired members and any other person who may have contacts with the company and the pension funds; and

e) that the operation of the company for management of mandatory and voluntary pension funds and the funds it will manage will be performed in accordance with the standards of pension fund management and good business practices.

**Article 57**

(1) The Agency shall decide on the requests referred to in Article 54 paragraph (1) of this Law within 60 days from the receipt of the requests.

(2) The Agency shall issue a license for establishment of a company for management of mandatory and voluntary pension funds, conditional license for management of a mandatory pension fund and conditional license for management of a voluntary pension fund to the interested persons whose requests have been accepted.

(3) The interested persons who have been issued a license for establishment and conditional licenses for management of pension funds shall be obliged to establish a company in accordance with the submitted documentation, based on the Law on Trade Companies and this Law. The company must be established within 90 days from the receipt of the license, and for justified reasons the Agency can extend the deadline for a maximum of 90 days.

(4) If ­the interested persons who have been ­issued a license for establishment do not establish a company within the deadline determined in paragraph (3) of this Article, after ­the expiration of that deadline, the Agency shall revoke the license for establishment.

**Article 58**

(1) The Agency shall submit a decision with an explanation for the refusal to the interested persons who have not been issued a permit. These decisions shall be available to the public.

(2) Against the decision referred to in paragraph (1) of this Article, the interested person may file a lawsuit for initiating an administrative dispute to a competent court. The lawsuit shall not delay the execution of the decision.

**Article 59**

(1) The company for management of mandatory and voluntary pension funds shall ­notify the Agency for the establishment and the entry in the Central Register of the Republic of Macedonia within 30 days from the performed registration. The company shall be obliged to submit a certified copy of the statute of the ­company, the latest versions of the documents referred to in Article 55 paragraph (1) items ­b) and c) of this Law and other documents related to the operation of the pension fund prescribed by the Agency.

(2) After fulfilling the conditions provided in Article 57 paragraph (3) of this Law and paragraph (1) of this Article, the conditional license for managing a mandatory pension fund and the conditional license for managing a voluntary pension fund shall become valid.

(3) After the validity of the licenses for managing the mandatory and voluntary pension fund, the Agency shall register the mandatory and voluntary pension fund in the register of mandatory and voluntary pension funds and shall assign an identification number for each fund.

(4) The registration of the mandatory and voluntary pension fund in the register of mandatory and voluntary pension funds shall have legal effect towards third parties on the day following the day of registration in the register of mandatory and voluntary pension funds.

(5) The company shall be obliged within 90 days from the day of validity of the license for managing a mandatory pension fund and the license for managing a voluntary pension fund in accordance with paragraph (2) of this Article to be included in the Center in accordance with the Law on Payment of pensions and pension benefits from fully funded pension insurance.

(6) The ­company may not start with pension fund management activities, as well as marketing and public opinion examination before obtaining the establishment license, pension fund management licenses, before the entry in the Central Register of the Republic of Macedonia and before the date determined by the Agency.

**Article 60**

(1) Changes ­to the shareholders, members of the management and supervisory board, responsible persons or amendments to the documents and data referred to in Article 55 of this Law ­shall be subject to license by the Agency, unless the changes are beyond the control of the company and the company has taken all necessary measures to prevent those changes. The company shall be obliged to inform the Agency about the changes made outside the control of the company.

(2) The Agency shall ­evaluate the changes from paragraph (1) of this article in accordance with the provisions for fulfilling the conditions from article 56 of this law.

(3) The Agency shall prescribe the manner and the procedure for granting the license referred to in paragraph (1) of this Article.

**Article 61**

(1) A company for management of mandatory pension funds established by the Law on Mandatory Fully Funded Pension Insurance may also manage a voluntary pension fund after obtaining a license to perform activity - management of voluntary pension funds from the Agency, and after the change in the Central Register of the Republic of Macedonia, shall receive a license from the Agency for managing a voluntary pension fund.

(2) For obtaining the license referred to in paragraph (1) of this Article and conditional license for managing a voluntary pension fund as well as for registering the voluntary pension fund in the register of mandatory and voluntary pension funds, a company for managing mandatory pension funds shall submit to the Agency:

a) requests with documentation referred to in Articles 38 and 39 paragraph (1) items a), b), c), h), i), l), m), n) and o) of this Law;

b) a signed statement by authorized signatories of the company that if it receives a license, it will make a change in the Central Register of the Republic of Macedonia and will establish a voluntary pension fund in accordance with this Law and

c) a business plan that contains the details of all fees and commissions that will be charged in accordance with this Law.

(3) The requirements referred to in paragraph (2) of this Article shall be submitted signed from ­these signatories of the company for management of mandatory pension funds, in a form ­prescribed by the Agency.

(4) Upon ­receipt of the requirements referred to in paragraph (2) of this Article, the Agency ­may request the submission of additional documents and data.

(5) The Agency ­may additionally examine ­certain facts regarding the requests and documents ­and for that purpose may­:

a) request information from the Office for Prevention of Money Laundering and Financing of Terrorism for the involvement of the company for management of mandatory pension funds and the founders in cases of money laundering or financing of terrorism;

b) contact ­other competent regulatory and supervisory bodies and institutions in the Republic of Macedonia and abroad; and

c) ­collect documents and data from other sources.

**Article 62**

The Agency shall issue a license for performing activity - management of voluntary pension funds and conditional license for management of a voluntary pension fund to a company for management of mandatory pension funds, based on the documents and data referred to in Article 61 paragraphs (2), (4) and (5) of this Law, if it is not contrary to the ­interests of the persons who could become members or become retired members of the voluntary pension ­fund that will be established in accordance with this Law and after evaluation for fulfilling the following conditions:

а) it will result from the documents and the received data that if a license for performing activity - management of voluntary pension funds is issued, in the company for management of mandatory and voluntary pension funds the founding capital prescribed by this Law will be paid;

b) it will result from the documents and received data that the applicant has financial resources for that purpose;

c) it will result from the documents and the received data that the applicant meets the requirements for founders referred to in Articles 24 and 26 of this Law;

d) it will result from the documents and the received data that the persons proposed for members of the management board and the supervisory board and the persons responsible for the investment management, meet the conditions determined by this Law;

e) the documents submitted in accordance with Article 61 paragraphs (2) and (4) of this Law shall contain provisions that will not endanger the interests of the members and the retired members of the pension funds or in those documents shall not be omitted provisions that sufficiently protect those interests;

f) the applicant ­has stated that he/she has provided or will provide timely conclusion of contracts for financial accounting and auditing of the company for management of mandatory and voluntary pension funds in accordance with this Law;

g) the proposed name of the company for managing mandatory and voluntary pension funds or the name of the voluntary pension fund will not mislead the members and retired members of the fund, future members or retired members and any other person who may have contacts with that company and the pension fund;

h) the operation ­of the company for management of mandatory and voluntary pension funds and the pension funds will be performed in accordance with the standards of pension fund management and good business practices; and

i) it will result from the documents and the data that the company ­for management of mandatory and voluntary pension funds will not ­perform other ­activities except those for which it is authorized on the basis of this Law and the Law on Mandatory Fully Funded Pension Insurance and which are directly related to the management of pension funds.

**Article 63**

(1) The Agency shall decide on the request referred to in Article 61 paragraph (2) of this Law within 60 days from the receipt of the request.

(2) The Agency shall issue a license for performing an activity - management of voluntary pension funds and conditional license for management of a voluntary pension fund to the company for management of mandatory pension funds to which the request is accepted.

(3) The company for management of mandatory pension funds, which has been issued a license for performing activity - management of voluntary pension funds shall be obliged to make the change in accordance with the submitted documentation on the basis of the Law on Trade Companies and this Law. The company must change the registration in the Central Register of the Republic of Macedonia within 90 days from the receipt of the license to perform activity - management of voluntary pension funds, and for justified reasons the Agency can extend the deadline for a maximum of 90 days.

(4) If ­the company for management of mandatory pension funds to which the license for performing activity - management of voluntary pension funds has been issued, does not make the change within the ­deadline determined in paragraph (3) of this Article, after the ­expiration of at that time the Agency will revoke the license.

**Article 64**

(1) The Agency shall submit a decision with an explanation for the refusal to the company for management of mandatory pension funds, which has not been issued a license for performing activity - management of voluntary pension funds. This decision shall be available to the public.

(2) Against the decision referred to in paragraph (1) of this Article, the company for management of mandatory pension funds may file a lawsuit for initiating an administrative dispute to a competent court. The lawsuit shall not delay the execution of the decision.

**Article 65**

(1) The company for management of mandatory and voluntary pension funds shall inform the Agency about the performed change in the Central Register of the Republic of Macedonia within 30 days from the performed change. The company shall be obliged to submit a certified copy of the company's statute, the latest versions of the documents referred to in Article 39 paragraph (1) items b) and c) of this Law and other documents related to the operation of the pension fund prescribed by the Agency.

(2) After ­fulfilling the conditions referred to in Article 63 paragraph (3) of this Article ­and paragraph (1) of this Article, the conditional ­license for managing a voluntary pension ­fund shall become valid.

(3) After the validity of the license for management of a voluntary pension fund, the Agency shall register the voluntary pension fund in the register of mandatory and voluntary pension funds and shall assign an identification number to it.

(4) The registration of the voluntary pension fund in the register of mandatory and voluntary pension funds shall have legal effect towards third parties on the day following the day of registration in the register of mandatory and voluntary pension funds.

(5) The company for management of mandatory and voluntary pension funds may not start with activities of management of voluntary pension fund, as well as marketing and public opinion examination before obtaining the license for performing activity - management of voluntary pension funds, the license for management of a voluntary pension fund, before the change in the Central Register of the Republic of Macedonia and before the date determined by the Agency.

**Article 66**

(1) All changes of the shareholders, members of the management and supervisory board, responsible persons or changes and additions to the documents and data referred to in Article 61 paragraph (2) of this Law, shall be subject to license by the Agency, unless the changes are beyond the control of the company, and the company has taken all necessary measures to prevent those changes. The company shall be obliged to inform the Agency about the changes made outside the control of the company.

(2) The Agency ­shall evaluate the changes referred to in paragraph (1) of this Article in accordance with the provisions for fulfilling the conditions referred to in Article 62 of this Law.

(3) The Agency shall prescribe the manner and the procedure for granting the license referred to in paragraph (1) of this Article.

**Article 67**

(1) A company for managing voluntary pension funds established by this Law may also manage a mandatory pension fund after obtaining a license to perform activity - managing mandatory pension funds from the Agency, and after the change in the Central Register of the Republic of Macedonia, the company shall receive license from the Agency for managing a mandatory pension fund.

(2) For obtaining the license referred to in paragraph (1) of this Article and conditional license for managing a mandatory pension fund as well as for registering the mandatory pension ­fund in the register of mandatory and voluntary pension funds, a company for managing voluntary pension funds shall submit to the Agency:

a) requests with documentation referred to in Articles 54 and 55 paragraph (1) items a), b), c), h), i), l), m), n) and o) of this Law;

b) documents confirming that on the date of submission of the applications the founders of a company for management of voluntary pension funds, who will own 51% of the founding capital of the company for management of mandatory and voluntary pension funds, have extensive experience in asset management;

c) a signed statement by authorized signatories of the company that if it obtains a license to perform activity - management of mandatory pension funds will make a change in the Central Register of the Republic of Macedonia and will establish a mandatory pension fund in accordance with this Law and

d) a business plan containing the details of all fees and commissions to be charged in accordance with this Law.

(3) The requirements referred to in paragraph (2) of this Article shall be submitted signed from ­these signatories of the company for management of voluntary pension funds, in a form ­prescribed by the Agency.

(4) Upon ­receipt of the requirements referred to in paragraph (2) of this Article, the Agency ­may request the submission of additional documents and data.

(5) The Agency ­may additionally examine ­certain facts regarding the requests and the ­comments and for that purpose may­:

a) request information from the Office for Prevention of Money Laundering and Terrorist Financing for the involvement of the company for management of voluntary pension funds and the founders in cases of money laundering or terrorist financing;

b) contact ­other competent regulatory and supervisory bodies and institutions in the Republic of Macedonia and abroad; and

c) collect documents and data from other sources.

**Article 68**

The Agency shall issue a license for performing activity - management of mandatory pension funds and conditional license for management of a mandatory pension fund to a company for management of voluntary pension funds, based on the documents and data referred to in Article 67 paragraphs (2), (4) and ( 5) of this Law, if it is not contrary to the ­interests of the persons who could join or become retired members of the mandatory pension ­fund which will be established in accordance with this Law and at the assessment of fulfilling the following conditions:

a) it will result from the documents and the received data that if a license for performing activity - management of mandatory pension funds is issued, in the company for management of mandatory and voluntary pension funds the founding capital prescribed by this Law will be paid;

b) it will result from the documents and the received data that the applicant has financial resources for that purpose;

c) it will result from the documents and the received data that the applicant meets the requirements for founders referred to in Articles 24 and 26 of this Law;

d) it will result from the documents and the received data that the persons proposed for members of the management board and the supervisory board and the persons responsible for the investment management, meet the conditions determined by this Law;

e) the documents submitted in accordance with Article 67 paragraphs (2) and (4) of this Law shall contain provisions that will not endanger the interests of the members and retired members of the pension funds or in those documents shall not be omitted provisions that sufficiently protect those interests;

f) the applicant has proved that he/she has provided or will provide timely conclusion of contracts for financial accounting and auditing of the company for management of mandatory and voluntary pension funds in accordance with this Law;

g) the proposed name of the company for managing mandatory and voluntary pension funds or the name of the voluntary pension fund will not mislead the members and retired members of the fund, future members or retired members and any other person who may have contacts with that company and the pension fund;

h) the operation ­of the company for management of mandatory and voluntary pension funds and the pension funds will be performed in accordance with the standards of pension fund management and good business practices; and

i) it will result from the documents and the data that the company ­for management of mandatory and voluntary pension funds will not ­perform other ­activities except those for which it is authorized on the basis of this Law and the Law on Mandatory Fully Funded Pension Insurance and which are directly related to the management of pension funds.

**Article 69**

(1) The Agency shall decide on the request referred to in Article 67 paragraph (2) of this Law within 60 days from the receipt of the request.

(2) The Agency shall issue a license for performing an activity - management of mandatory pension funds and conditional license for management of a mandatory pension fund to the company for management of voluntary pension funds to which the request is accepted.

(3) The company for management of voluntary pension funds which has been issued a license for performing activity - management of mandatory pension funds shall be obliged to make the change in accordance with the submitted documentation on the basis of the Law on Trade Companies and this Law. The company shall be obliged to re-register within 90 days from the receipt of the license to perform activity - management of mandatory pension funds, and for justified reasons the Agency can extend the deadline for a maximum of 90 days.

(4) If ­the company for management of voluntary pension funds to which the license for performing activity - management of mandatory pension funds has been issued, does not make the change within the ­deadline determined in paragraph (3) of this Article, after ­the expiration of that time the Agency will revoke the license.

**Article 70**

(1) The Agency shall submit a decision with an explanation for the refusal to the company for management of voluntary pension funds, which has not been issued a license for performing activity - management of mandatory pension funds, with an explanation for its ­termination. The decision shall be available ­to the public ­.

(2) Against the decision referred to in paragraph (1) of this Article, the company for management of voluntary pension funds may file a lawsuit for initiating an administrative dispute to a competent court. The lawsuit shall not delay the execution of the decision.

**Article 71**

(1) The company for management of mandatory and voluntary pension funds shall notify the Agency for the change in the Central Register of the Republic of Macedonia within 30 days from the performed change. The company shall be obliged to submit a certified copy of the company's statute, the latest versions of the documents referred to in Article 55 paragraph (1) items b) and c) of this Law and other documents related to the operation of the pension fund prescribed by the Agency.

(2) After fulfilling the conditions provided in Article 69 paragraph (3) of this Law and paragraph (1) of this Article, the conditional license for pension fund management shall become valid.

(3) After the validity of the license for managing the mandatory pension fund, the Agency shall register the mandatory pension fund in the register of mandatory and voluntary pension funds and shall assign an identification number to it.

(4) The registration of the mandatory pension fund in the register of mandatory and voluntary pension funds shall have legal effect towards third parties on the day following the day of registration in the register of mandatory and voluntary pension funds.

(5) The company for management of mandatory and voluntary pension funds may not start with activities of management of mandatory pension fund, as well as marketing and public opinion examination before obtaining a license for performing activity - management of mandatory pension funds and the license for Mandatory pension fund management, before the entry in the Central Register of the Republic of Macedonia and before the date determined by the Agency.

**Article 72**

(1) All changes of the shareholders, members of the management and supervisory board, responsible persons or changes and additions to the documents and data referred to in Article 67 paragraph (2) of this Law, shall be subject to license by the Agency, unless the changes are beyond the control of the company, and the company has taken all necessary measures to prevent those changes. The company shall be obliged to inform the Agency about the changes made outside the control of the company.

(2) The Agency ­shall evaluate the changes referred to in paragraph (1) of this Article in accordance with the provisions for fulfilling the conditions referred to in Article 62 of this Law.

(3) The Agency shall prescribe the manner and the procedure for granting the license referred to in paragraph (1) of this Article.

## Article 73

The Company for management of mandatory and voluntary pension funds after the change referred to in Articles 61 paragraph (1) and 67 paragraph (1) of this Law shall notify the members and retired members of the funds it manages of the change.

## Article 74

The Agency shall prescribe in more detail the manner of obtaining a license for establishment, a license for performing an activity - management of voluntary pension funds, a license for performing an activity - management of mandatory pension funds and a license for managing a mandatory and/or voluntary pension fund.

## Article 75

(1) The voluntary pension fund managed by a company for management of mandatory and voluntary pension funds should be completely separated from the mandatory pension fund managed by that company.

(2) The Agency shall prescribe in detail the manner of separate keeping of the records for the voluntary pension fund and the mandatory pension fund managed by a company for management of mandatory and voluntary pension funds, as well as the measures necessary for financial separation of the mandatory pension fund from the voluntary pension fund.

## Article 76

(1) The Agency may withdraw or revoke the license for management of a mandatory and/or voluntary pension fund for the same reasons that it rejects the request due to non-submission of the documents referred to in Articles 55, 61, paragraphs (2), (4) and (5) and 67 paragraphs (2), (4) and (5) of this Law or non-fulfillment of the conditions from Articles 56, 59 paragraph (5), 62, 65 paragraph (5), 68 and 71 paragraph (5), from this law, misuse of personal data of members or retired members at the request of the company for management of mandatory and voluntary pension funds, gross violation of the provisions of this law and the Law on Prevention of Money Laundering and Other Proceeds from Crime and Financing of Terrorism, as well as in other cases determined by this law.

(2) Before withdrawing or revoking the license for management of a mandatory and/or voluntary pension fund, the Agency shall provide the company for management of mandatory and voluntary pension funds with an opportunity to eliminate the illegalities in the operation within a deadline determined by the Agency, unless such an opportunity would be contrary to the interests of the members and retired members of the mandatory and/or voluntary pension fund or to the public interest.

(3) The Agency shall immediately notify the company for management of mandatory and voluntary pension funds about the decision for withdrawal or revocation of the license for management of a mandatory and/or voluntary pension fund.

(4) Against ­the decision of the Agency referred to in paragraph (1) of this Article, the company for management of mandatory and voluntary pension funds may file a lawsuit for initiating an administrative dispute to a competent court. The lawsuit shall not delay the execution of the decision.

(5) The Agency ­shall more closely regulate the manner of withdrawal or revocation of the license for management of the mandatory and/or voluntary pension ­fund referred to in paragraph (1) of this Article.

(6) After revoking the licenses for managing the mandatory and voluntary pension fund of the company that managed those pension funds, the provisions for liquidation of companies from the Law on Trade Companies or the provisions from the Bankruptcy Law shall apply accordingly.

**Article 77**

(1) The company for management of mandatory and voluntary pension funds to which the license for management of mandatory and/or voluntary pension fund based on Article 76 of this Law has been withdrawn shall continue to operate under the supervision of the Agency, in a manner prescribed by the Agency.

(2) If the company for management of mandatory and voluntary pension funds has its license for management of mandatory and/or voluntary pension funds revoked, based on Article 76 of this Law, in order to protect the interests of the members and the retired members of the pension fund, the Agency shall take over the management and operation of that pension fund until the final decision on revocation of the license, in a manner prescribed by the Agency.

(3) When the decision to revoke the license for management of a voluntary pension fund becomes final, the Agency shall distribute the members and retired members to the existing voluntary pension funds at random at a manner prescribed by the Agency. If there is no voluntary pension fund, the Agency shall manage the pension fund managed by the company whose license to manage a voluntary pension fund has been revoked.

(4) When ­distributing the members and retired members in the voluntary pension ­funds in accordance with paragraph (3) of this Article, the Agency ­shall ensure the number of members and retired members who are distributed in each voluntary pension fund to be determined according to the return of the pension fund and the amount of the benefit referred to in Article 117 paragraph (1) item a) of this Law, which shall be charged by the company that manages that pension fund, to ­the amount determined by the Agency.

(5) When the decision to revoke the license for managing a mandatory pension fund becomes final, the Agency shall distribute the members and retired members to the existing mandatory pension funds at random in a manner prescribed by the Agency. If there are less than two mandatory pension funds, the Agency shall manage the pension fund managed by the company whose license for managing a mandatory pension fund has been revoked.

(6) When ­dividing the members and retired members into mandatory pension funds in accordance with paragraph (5) of this Article, the Agency ­shall ensure the number of members and retired members who are distributed in each mandatory pension fund to be determined according to the return of the pension fund and the amount of the benefit referred to in Article 95 paragraph (1) item a) of the Law on Mandatory Fully Funded Pension Insurance charged by the company that manages that pension fund, to ­the amount determined by the Agency.

## Article 78

A company for management of mandatory and voluntary pension funds can be merged only with another company for management of mandatory and voluntary pension funds.

## Article 79

(1) By merging the companies referred to in Article 78 of this Law, a new company shall be established.

(2) The new company shall be established on the basis of a license issued by the Agency, and after the establishment, it shall receive a license from the Agency for managing a mandatory pension fund and a license for managing a voluntary pension fund.

(3) In order to obtain a license for establishment of a new company for management of mandatory and voluntary pension funds, the existing companies shall submit to the Agency a request with the documentation referred to in paragraph (5) of this Article and a business plan that contains the details of all fees and commissions that will be charged in accordance with this Law. The requests ­for licenses for managing a mandatory and voluntary pension fund and the requests for registration of the mandatory and voluntary pension ­fund in the register of mandatory and voluntary pension funds shall be submitted together with the request for a license for founding a company.

(4) The requests referred to in paragraph (3) of this Article shall be ­signed by authorized signatories of the ­existing companies for management of mandatory and voluntary pension funds who would be the founders of the new company, in a form prescribed by the Agency.

(5) In addition to the requests referred to in paragraph (3) of this Article, the companies for management of mandatory and voluntary pension funds should submit the following documents:

a) a decision for a merger adopted by a competent body of each of the companies;

b) a merger contract;

c) an organizational and financial plan for implementation of the new company;

d) the name of the new company and the new pension funds;

e) information on whether the shareholders are affiliated persons;

f) repealed by Decision of the Constitutional Court of the Republic of Macedonia no. 117/2008, published in the "Official Gazette of the Republic of Macedonia " no. 162/2009;

g) revised information prospectuses for the new pension funds;

h) a draft statute of the new pension funds stating the planned benefits;

i) a draft contract with the custodian for the new pension funds and details for termination of the existing contracts;

j) the names of the proposed members of the management and supervisory board and if these persons are not part of the merging companies and information from Article 55 paragraph (1) item i) of this Law;

k) data on persons proposed to be responsible for investment decisions, calculation of programmed withdrawals, risk management, internal audit, individual accounts, marketing and control of agents;

l) a program for the investment strategy of the new pension funds;

m) a signed ­statement by authorized signatories of the merging companies that after ­obtaining a license for managing a mandatory pension fund and a license for managing a voluntary pension fund, the new ­company ­will be included in the Center in accordance with the Law on Payment of Pensions and pension benefits from fully funded pension insurance and

n) other documents prescribed by the Agency.

(6) The Agency shall issue a license for establishment of a new company for management of mandatory and voluntary pension funds and license for management of mandatory pension fund and license for management of voluntary pension fund on the basis of the documents referred to in paragraph (5) of this Article and after fulfilling the conditions of this law.

(7) After the validity of the licenses for management of mandatory and voluntary pension funds, the Agency shall register the mandatory and voluntary pension fund in the register of mandatory and voluntary pension funds and shall assign an identification number to them.

(8) The registration of the mandatory and voluntary pension fund in the register of mandatory and voluntary pension funds shall have legal effect towards third parties on the day following the day of registration in the register of mandatory and voluntary pension funds.

(9) The new company for management of mandatory and voluntary pension funds shall be the legal successor of the two companies for management of mandatory and voluntary pension funds that established it.

(10) The Agency shall more closely regulate the manner of merging the companies referred to in Article 78 of this Law and the merging of the pension funds referred to in Article 81 paragraph (1) of this Law.

## Article 80

The Agency may reject a request for merger of companies for management of mandatory and voluntary pension funds, if:

a) the request with the documentation does not meet the requirements of this Law;

b) the documents attached to the request or other information indicate that any of the companies that are merged in the period of five years before the submission of the request has arrears on the basis of unpaid taxes and social security contributions;

c) the shares of any of the companies originate from a loan, credit or are encumbered in any way;

d) the business activities of the applicants do not guarantee that the new company and the pension funds it will manage will be managed in the best interest of the members and the retired members and

e) the merger endangers the interests of members and retired members of pension funds or other public interest.

## Article 81

(1) The voluntary pension funds shall be merged at the same time with the companies that managed those pension funds and a voluntary pension fund shall be established.

(2) The mandatory pension funds shall be merged at the same time with the companies that managed those pension funds and a mandatory pension fund shall be established.

(3) After the merger of the pension funds referred to in paragraphs (1) and (2) of this Article, the new pension funds shall assume the rights and obligations from the merged pension funds.

## Article 82

Prior to the merger of the companies referred to in Article 78 of this Law, the companies shall notify in writing all members, retired members and insurers of the merger decision. After the merger, the new company for management of mandatory and voluntary pension funds shall notify in writing all members, retired members and insurers of the name of the new company, the names of the new pension funds and submits a copy of the information prospectus, the statute of the new company and the statutes of the new pension funds.

## Article 83

(1) A company for management of mandatory and voluntary pension funds may be joined only with a company for management of mandatory and voluntary pension funds.

(2) In case of merger of another company referred to in paragraph (1) of this Article, the voluntary pension fund managed by the merging company shall be merged with the voluntary pension fund managed by the company it is being merged to. The mandatory pension fund managed by the merging company, shall be merged with the mandatory pension fund managed by the company it is being merged to.

(3) Before merging the pension funds referred to in paragraph (2) of this Article, the company being merged to shall notify in writing all members, retired members and insurers.

(4) By merging the voluntary pension funds to each other, the members and the retired members, the voluntary individual accounts and the professional accounts from the pension fund that is being merged shall be transferred to the pension fund to which they are merging. By merging mandatory pension funds to each other, the members and the retired members, the individual accounts from the pension fund that is being merged shall be transferred to the pension fund to which they are merging. (5) The Agency shall prescribe the manner of merging the companies and the pension funds referred to in this Article.

# CHAPTER 6 OCCUPATIONAL PENSION SCHEMES

**Article 84**

(1) An employer or a citizens' association may organize and finance an occupational pension scheme only for its employees or members.

(2) Multiple employers or several citizens' associations may jointly organize and finance occupational pension schemes.

(3) The insurer shall sign a contract with the company that he/she has chosen to manage the voluntary pension fund in which the occupational pension scheme will be included.

(4) The insurer shall adopt rules for the occupational pension scheme. The rules for the occupational pension scheme must contain:

a) the name of the occupational pension scheme;

b) the name of the voluntary pension fund which includes the occupational pension scheme and the name of the company that manages that pension fund;

c) contribution that the insurer will pay for the occupational pension scheme on behalf of the employees or members calculated as a percentage of salary or as a fixed amount;

d) conditions for acquiring the right to participate in the occupational pension scheme, in accordance with this Law;

e) detailed data on the fees referred to in Article 117 paragraph (1) of this Law and

f) information on the rights of passage and the rights of pension benefit.

**Article 85**

(1) The insurer shall pay contributions for each participant in the occupational pension scheme which he/she organizes and finances.

(2) An insurer may abolish the occupational pension scheme, amend the rules of the occupational pension scheme or change the voluntary pension fund where the occupational pension scheme is included.

(3) If the insurer shall undertake any of the activities referred to in paragraph (2) of this Article, it shall be obliged to notify all participants in the occupational pension scheme in writing within 30 days.

**Article 86**

(1) An insurer may determine which employees or members may participate in the occupational pension scheme and shall determine the contribution rate to be paid for each of them.

(2) An citizens’ association that has organized an occupational pension scheme may determine that its member may participate in the occupational pension scheme only if the member financially participates in covering the costs of the association related to the occupational pension scheme.

(3) The participation in the occupational pension scheme shall terminate with:

a) termination of employment or membership in a citizens' association and transfer of funds from the existing professional account to another professional account or voluntary individual account, in accordance with this Law;

b) abolition of the occupational pension scheme and transfer of funds from the existing professional account to another professional account or voluntary individual account in accordance with this Law.

**Article 87**

An insurer may arrange only one occupational pension scheme.

**Article 88**

Every person, within 15 days of entering into employment with an employer who has organized an occupational pension scheme, shall be entitled to a copy of the rules of the occupational pension scheme, the statute of the pension fund in which the scheme is included, regardless of whether at the time of the employment the person has the right to be a member of the occupational pension scheme.

**Article 89**

The insurer shall be obliged to pay from its own funds the fees referred to in Article 117 paragraph (1) items a) and c) of this Law, for the members of the pension fund who participate in its occupational pension scheme.

**Article 90**

(1) The insurer shall be obliged to make the choice of a voluntary pension fund in the best interest of its employees or members.

(2) The insurer may not introduce any mechanisms for restricting the rights to receive a pension benefit for the members participating in its occupational pension scheme.

**Article 91**

(1) Each participant in an occupational pension scheme shall sign a statement of consent for participation in an occupational pension scheme and submit it to the insurer.

(2) After signing the contract referred to in Article 84 paragraph (4) of this Law, the insurer shall submit to the company a list of participants in its occupational pension scheme. The insurer shall regularly notify the company of any change in the list.

(3) The persons who shall become members of a voluntary pension fund on the basis of the occupational pension scheme shall receive certificates of membership from the company within 30 days from the membership and shall not conclude a contract with the company that manages the voluntary pension fund.

(4) The Agency shall prescribe the standardized form of the statement of consent for participation in the occupational pension scheme and the membership certificate referred to in paragraphs (1) and (3) of this Article.

(5) A member of a voluntary pension fund on the basis of an occupational pension scheme shall have the same rights as a member on the basis of a membership contract concluded with a company, except for the right to pay a contribution.

(6) A company may not restrict or deny the right to a member of a pension fund on the basis of an occupational pension scheme if that member does not have a membership contract with the company.

## Article 92

(1) The assets of a participant in an occupational pension scheme, whose employment or membership with one insurer has been terminated, shall be transferred from the existing professional account to the future professional account of the occupational pension scheme organized by the other insurer.

(2) If after 90 days from the termination of employment or membership in a citizens' association, the person does not become a participant in an occupational pension scheme with another insurer, the assets from his/her existing professional account shall be transferred to his/her voluntary individual account.

(3) If the assets from the professional account are not transferred to his/her voluntary individual account after the expiration of the deadline referred to in paragraph (2) of this Article, the company managing the existing professional account shall request information from the Agency whether the member has a voluntary individual account and if any shall transfer the assets from the existing professional account to the voluntary individual account.

(4) If the company receives information from the Agency that the member does not have a voluntary individual account, it shall open a voluntary individual account in the voluntary pension fund with which it manages and shall transfer the assets from the existing professional account to the voluntary individual account. At the same time, the company shall submit a membership certificate to the member.

(5) If the insurer terminates the occupational pension scheme, the funds of the participant in the occupational pension scheme shall be transferred in accordance with the provisions of paragraphs (1), (2), (3) and (4) of this Article.

(6) The Agency shall prescribe the time and the manner of transfer of the funds in accordance with paragraph (1), (2), (3), (4) and (5) of this Article.

**Article 93**

## (1) If two insurers join or merge, the sole insurer that will result from that process, within 180 days from the date of merger or joining should organize a single occupational pension scheme for its employees or members.

(2) The Agency shall prescribe the manner of merging or joining the occupational pension schemes.

# CHAPTER 7 MEMBERSHIP IN A VOLUNTARY PENSION FUND AND PAYMENT OF CONTRIBUTIONS

## Article 94

(1) A member of a voluntary pension fund may be any person who has reached at least 15 years of age and is the owner of a voluntary individual account or any person who is a participant in an occupational pension scheme and is the owner of a professional account.

(2) The person referred to in paragraph (1) of this Article shall acquire membership in a voluntary pension fund by signing a membership contract with the company that manages that voluntary pension fund and by opening a voluntary individual account or by opening a professional account.

(3) A company may not refuse membership to a person in the voluntary pension fund it manages if it is at least 15 years old and at most 70 years old, except for the persons referred to in Article 95 paragraph (6) of this Law.

(4) The Agency shall prescribe the standardized form of the membership contract referred to in paragraph (2) of this Article. The membership contract can be changed with an annex only if the natural person - payer of the contract is included, changed or excluded.

(5) The Agency shall more closely regulate the manner of membership in a voluntary pension fund in accordance with this Article.

## Article 95

(1) For the persons who have signed a membership contract, the company shall open a voluntary individual account, and for the persons who are in an occupational pension scheme, the company shall open a professional account, immediately after the first payment of the contribution.

(2) A person can have only one voluntary individual account and one professional account. If one person is employed by and/or is a member of several insurers, he/she can have only one professional account of his/her choice.

(3) A person can have a voluntary individual account and a professional account in the same or different voluntary pension fund.

(4) Only an insurer can pay contributions to a professional account, and cannot pay contributions to a voluntary individual account.

(5) Another natural person may pay a contribution to a voluntary individual account of a member of a pension fund, on the basis of a signed membership contract by the member, the natural person and the company.

(6) Payments to a voluntary pension fund, for oneself or for another natural person, cannot be made by a person who has exercised the right to a pension in accordance with the Law on Pension and Disability Insurance who withdraws funds in accordance with the Law on Mandatory Fully Funded Pension Insurance or who earns a pension benefit in accordance with this law. If a member with a voluntary individual account earns a pension benefit in accordance with this Law, the insurer may pay contributions to his professional account.

(7) Payments to a voluntary pension fund cannot be made in the name of and on behalf of a person who has reached 70 years of age.

## Article 96

### (1) A member of a voluntary pension fund may transfer and become a member of another voluntary pension fund.

### (2) As an exception to paragraph (1) of this Article, a member of a voluntary pension fund as a participant in an occupational pension scheme may not transfer to another voluntary pension fund during the period while he/she is employed or a member of an insurer.

### (3) A member who has a voluntary individual account in a voluntary pension fund (existing voluntary pension fund) may become a member of a voluntary pension fund managed by another company (future voluntary pension fund), by signing a membership contract with the company managing the future voluntary pension fund, signing a form for consent for transfer and payment of compensation in accordance with Article 117 paragraph (1) item c) of this Law.

### (4) The Agency shall prescribe the manner of transfer from one to another voluntary pension fund and the consent form for transfer.

**Article 97**

(1) In case ­of transfer of the member from one to another pension fund in accordance with Article 96 of this Article­, the assets of that member shall be transferred from the existing to the future pension fund on the first following date of transfer.

(2) The Agency ­shall more closely regulate the manner and dates of transfer of assets between the pension funds managed by different companies and the type of data to be submitted.

## Article 98

(1) The companies shall be obliged to undertake measures and activities in accordance with the Law on Prevention of Money Laundering and Other Proceeds from Crime and Financing of Terrorism.

(2) The Agency for Supervision of Fully Funded Pension Insurance shall supervise the company’s systems for prevention of money laundering and financing of terrorism.

## Article 99

If a member of a voluntary pension fund who has a voluntary individual account ceases to pay contributions to the voluntary pension fund before retirement, he/she shall remain a member of the pension fund until his/her death, until transfer to another fund or until he/she is entitled to a pension benefit and has the same rights as the other members of that fund in accordance with this law.

## Article 100

The Agency shall prescribe the manner of payment of contributions to voluntary pension funds.

## Article 101

(1) The assets from the account of a member and a retired member of the voluntary pension fund shall be part of his/her personal property.

(2) The assets from the account of a member and a retired member of a voluntary pension fund may not be used in a settlement or bankruptcy procedure.

(3) The assets on the account of a member and a retired member of a voluntary pension fund may not be given as collateral, assignation or transferred in favor of third parties, except when it is explicitly allowed by this Law.

(4) The legal acts related to paragraphs (2) and (3) of this Article are null and void.

**CHAPTER 8   
CROSS-BORDER MEMBERSHIP IN A VOLUNTARY PENSION FUND**

**Article 102**

(1)An insurer based in the territory of another European Union member state can organize an occupational pension scheme that will be included in a voluntary pension fund managed by a company based in the Republic of Macedonia.

(2) A company wishing to accept an occupational pension scheme organized and financed by an insurer established in the territory of another European Union member state shall notify the Agency of its intention.

(3) The notification to the Agency referred to in paragraph (2) of this Article should contain:

a) the name of the proposed insurer;

b) the main features of the occupational pension scheme and

c) data on the member state in which the insurer is domiciled.

**Article 103**

Upon receipt of the notification referred to in Article 102 paragraph (2) of this Law, the Agency shall, within 180 days from the receipt of all information, submit the information to the competent authorities of the member state in which the proposed insurer is domiciled and inform the company accordingly, unless there is reason to doubt whether the administrative structure, the financial condition of the company, its reputation and the professional qualifications or experience of the persons managing the company meet the requirements of the European Union member state.

**Article 104**

(1) The company may include in the pension fund the occupational pension scheme of an insurer from another European Union member state after receiving information from the Agency received from the competent authorities of the member state in which the proposed insurer is domiciled that the requirements of the relevant laws for the occupational pension scheme in the member state are met.

(2)The Agency shall prescribe the manner of inclusion of an occupational pension scheme, organized and financed by an insurer based in the territory of another European Union member state, in a voluntary pension fund.

**Article 105**

An insurer based in the Republic of Macedonia may entrust the management of his/her occupational pension scheme to a company authorized to manage occupational pension schemes in another European Union member state, in accordance with the laws in the field of labor, social security in the Republic of Macedonia and this law.

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# CHAPTER 9

## MARKETING OF THE VOLUNTARY PENSION FUND

**Article 106**

(1) No one may offer any gifts to another person in order to persuade him/her to join, enter into a programed withdrawal contract, a lump sum payment contract, or a multiple payment contract with a voluntary pension fund, or remain a member or retired member of a voluntary pension fund, as well as to participate in an occupational pension scheme or to remain in an occupational pension scheme.

(2) No one may offer any gifts to another person in order to persuade him/her to attend or stay in places where marketing of a voluntary pension fund is performed.

(3) No one may offer any gifts to an insurer or its affiliates in order to encourage or reward him/her to become or remain an occupational pension scheme organizer in a voluntary fund or to instruct its staff or members to participate in an occupational pension scheme.

(4) No one may offer any gifts to a trade union or other organization, collective body or persons affiliated to that organization or body, in order to encourage or reward it or instruct its members to join one voluntary pension fund.

(5) A gift in the sense of this Article shall mean, but shall not be limited to monetary rewards, payment of monetary compensation for early termination of membership or termination of a contract for programmed withdrawals or multiple payments from another voluntary pension fund, gift of movable and immovable items, works of art, organization of exhibitions or performances, or other works that ­normally have to be paid, except those payments which arise directly from the rights of the members and retired members of a voluntary pension fund.

**Article 107**

(1) The persons referred to in paragraph (3) of this Article may not provide false and inaccurate information about the voluntary pension fund, the occupational pension scheme or the company that manages that fund or information that may mislead the members and retired members of voluntary pension fund, persons eligible to become members and retired members of a voluntary pension fund, persons who in the future would be eligible to become members and retired members of a voluntary pension fund, insurers and potential insurers, nor with oral statements, written material, through advertisement and any other advertising material.

(2) The persons referred to in paragraph (3) of this Article may not give any statements or predictions about the future investment results of the voluntary pension fund, of the members and retired members of that voluntary pension fund and of the persons eligible to become members or become retired members of that voluntary pension fund in the future, insurers and potential insurers, except statements in the form and manner prescribed by the Agency.

(3) The persons referred to in paragraphs (1) and (2) of this Article shall be:

a) companies;

b) affiliated persons of the companies and

c) agents or employees in companies and affiliated parties.

(4) The company managing a voluntary pension fund shall be obliged to submit to the Agency, in a photocopy or on an appropriate external media, the published marketing material within three days after its publication. The Agency ­shall provide guidance on the content of advertisements and other marketing material for voluntary pension funds and the companies that manage them.

(5) If the Agency considers that any advertisement or other written material may cause misleading, it may with a decision prohibit further publication or distribution and order the publication of an amendment to that material within a period to be determined by it.

(6) The Agency ­shall adopt instructions for the content of the advertisements and for the other promotional material of the voluntary pension funds and the companies that manage them.

Article 107-a

(1) The person responsible for marketing shall be responsible for advertising the operations of the company that manages the voluntary pension fund and the voluntary pension fund that it manages and information related to the voluntary fully funded pension insurance, in accordance with law.

(2) The person responsible for control of agents shall be obliged to control the activities of the agents affiliated to the membership and transfer of members from one to another voluntary pension fund and the conclusion of contracts for payment of pension benefits.

**Article 108**

(1) A ­company may perform marketing activities of a voluntary pension fund in its premises and in the premises of its business associates for marketing. The room should meet the following conditions:

a) to have at least one agent;

b) to have a person responsible for performing ­marketing activities of the company that manages a voluntary pension fund, which may be employed in the business associate; and

c) to provide adequate space for performing marketing activities of the company that manages a voluntary pension fund.

(2) A business associate for marketing referred to in paragraph (1) of this Article may be a bank or an insurance company. The company shall be obliged to conclude a contract with the business associate for performing the marketing activities of a voluntary pension fund on the premises of the business associate.

(3) The ­company shall be responsible for fulfilling the conditions from paragraph (1) of this Article.

(4) The ­company on the last working day of the quarter shall submit to the Agency a list of the premises of the business associates for marketing which, in addition to the name, shall contain an address and a responsible person.

**Article 109**

(1) A company may conclude a membership contract, a contract for programmed withdrawals, a contract for lump sum payment and a contract for multiple payments with a person only through a registered agent.

(2) The agent must be present at the conclusion of the membership contract, the contract for programmed withdrawals, the contract for lump sum payment and the contract for multiple payments and shall be obliged to sign such a contract.

(3) Marketing activities of pension funds may be performed by a person after his/her entry in the register of agents.

(4) The agent may perform marketing activities at the same time only at one company for management of mandatory pension funds or only at one company for management of voluntary pension funds or only at one company for management of mandatory and voluntary pension funds.

(5) The agent is obliged to reregister in order to perform marketing activities of another company from paragraph (4) of this Article in the future.

(6) Every person who performs marketing activities of a voluntary pension fund by telephone and through a call center shall be obliged to be a registered agent.

(7) The Agency may delete from the register of agents any person who does not comply with the provisions of this Law and shall not allow the person to reenter in the register, within three years from the date of deletion.

(8) The Agency shall organize an exam for acquiring the status of an agent which shall be taken by all persons who are to become agents of one of the companies referred to in paragraph (4) of this Article. The Company for management of voluntary pension funds shall be obliged to submit a request on behalf of the agent for its entry in the register of agents if the person meets the conditions and to submit a request for deletion of the agent from the register of agents if he/she does not meet any of the conditions of Article 77 paragraph (6) of the Law on Mandatory Fully Funded Pension Insurance.

(9) The provisions on the conditions for registration in the register of agents, the manner and the procedure for taking the exam and issuing a certificate for acquiring the status of agent referred to in Article 77, paragraphs (6), (7), (9), (10) and (11) of the Law on Mandatory Fully Funded Pension Insurance shall be appropriately applied to the persons to be registered in the register of agents.

**Article 110**

The agent shall be obliged to make all contacts with the member, retired member or persons who have the right to become members and retired members of a pension fund personally and must not conclude a membership contract, a programmed withdrawal contract, a lump sum payment contract and a multiple payment contract through another person.

**Article 111**

(1) If an employee­, representative, agent or affiliated person of a company or company for management of mandatory and voluntary pension funds influences a member or a retired member to terminate the contract with another company or company for management of mandatory and voluntary pension funds and to conclude a contract with the company he/she represents, he/she must give priority to the interests of that member over his/her personal interests or the interests of the company.

(2) Personal contact in the sense of paragraph (1) of this Article shall mean a personal meeting, telephone conversation or personally addressed correspondence between an employee, representative or agent of the company and the person in question or another person affiliated to him/her.

**Article 112**

(1) The request of marketing procedures to voluntary pension funds that are contrary to public morality and that may harm the voluntarily fully funded pension insurance shall be prohibited.

(2) It shall be prohibited for a responsible person to advertise a voluntary pension fund to an employee, except in the case when an employer has organized an occupational pension scheme for its employees.

**CHAPTER 10**

**NOTIFICATIONS AND INFORMATION OBLIGATIONS**

**Article 113**

(1) ­Any company shall be obliged ­to have an information prospectus for the voluntary pension fund he/she manages. The ­information prospectus shall contain complete, accurate and objective data on the voluntary pension fund and the company that manages that fund, which are necessary for the potential member to make a decision for membership in the voluntary pension fund and the potential retired member to conclude a programed withdrawal contract or multiple payment contract, as follows:

a) the name and registered office of the company and the fund it manages;

b) the names ­of the members of the management board and the supervisory board of the company;

c) the names ­and addresses of the shareholders and their participation in the founding capital of the company;

d) the name and address ­of the custodian and data on possible changes of the custodian made in the previous year and the reasons for such changes;

e) data on the auditor of the voluntary pension fund and the company;

f) ­the basic principles of investment for the period referred to in ­paragraph (1) of this Article and ­the restrictions on investment other than the restrictions set forth in this Law;

g) responsibility in making investment decisions;

h) ­benefits, commissions and all other expenses charged to members and retired members of the Voluntary ­Pension Fund;

i) manner of membership, concluding a contract for programmed withdrawals, concluding a contract for lump sum payment, concluding a contract for multiple payments and concluding a contract for transfer;

j) manner of notifying the members and the retired members;

k) the right to pension benefit;

l) the portfolio of the voluntary pension fund;

m) the number ­of members and retired members of the voluntary pension ­fund;

n) the net value of the assets of the voluntary pension fund and

o) other ­data on the operation of the company that may be prescribed by the Agency in order to ensure transparency.

(2) The information prospectus referred to in paragraph (1) of this Article shall be published by the company no later than March 31 of each current year as of December 31 of the previous year on the website of the company and in one of the most widely circulated daily newspapers distributed throughout the Republic of Macedonia.

(3) As an exception to paragraph (1) of this Article, within 15 days from the entry of the voluntary pension fund in the register of mandatory and voluntary pension funds, the company shall be obliged to publish the information prospectus with data from paragraph (1) items a), b) c), d), e), f), g), h), i), j), k) and o) of this Article.

(4) The company shall be obliged to submit, at the request of a member or retired member of the voluntary pension fund, the information prospectus and the statute of the voluntary pension fund that it manages and to provide them for inspection to any person who will apply for membership, will want to conclude a contract for programmed withdrawals, a contract for lump sum payment and a contract for multiple payments in the voluntary pension fund managed by that company.

**Article 114**

(1) The company shall be obliged to regularly, and at least once a year in writing inform the members of the voluntary pension fund about the balance of the assets on their voluntary individual or professional accounts, about the dates of payment of the contributions and the transfer of the assets for the member of that fund during the relevant period and for the conversion of contributions and transferred assets into accounting units.

(2) At the request of a member of a voluntary pension fund, the company shall at any time, within eight working days from the receipt of such request, submit a notification to the member on the value of the funds on his/her voluntary individual account or professional account.

(3) At least once a year, the company shall be obliged to submit data to each member of the voluntary pension fund it manages on the value and share of the pension fund assets invested in a certain type of assets, including data on the issuer of the respective security, on the last assessment date as of December 31 of each year. The obligation to provide data on issuers of securities refers to investments in securities that represent at least 1% of the value of the assets of the voluntary pension fund. Also, the company shall be obliged to submit data on the total amount of transaction fees paid by the company and its foreign managers of assets to the voluntary pension fund of legal entities that provided services for securities, in the period from the last report and the average amount of such costs per accounting unit of that pension fund.

(4) The data referred to in paragraphs (1) and (3) of this Article shall be submitted to the members of the voluntary pension fund free of charge. The company may charge a fee for the notification referred to in paragraph (2) of this Article, but only up to the amount of the printing costs and postage costs.

(5) As an exception to paragraphs (1) and (3) of this Article, the company shall not be obliged to submit a notification to the person if it does not have a voluntary individual account or a professional account.

(6) The data referred to in paragraphs (1) and (3) of this Article shall be submitted as needed and in shorter time periods determined by the Agency. The Agency shall prescribe in detail the type and period to which the data refer, the manner and form of their presentation and the procedure for their submission.

(7) The notifications referred to in paragraphs (1) and (3) of this Article, upon prior written consent of the member, may be submitted in electronic form instead of in written ­form.

(8) The ­provisions of paragraphs (1), (2), (3), (4), (5), (6) and (7) of this Article shall be appropriately applied to ­retired members as well.

**Article 115**

The company that manages an appropriate occupational pension scheme shall submit to the insurer the information referred to in Article 114 paragraphs (1) and (3) of this Law for all participants in the occupational pension scheme and shall be obliged to comply with the requirements of Article 114 paragraphs (2), (4), (5) and (6) of this Law. With the prior written consent of the insurer, the company may submit the information in electronic form instead of in written form.­

**Article 116**

(1) The company shall be obliged to submit the following information to the Agency:

a) quarterly unaudited and annual unaudited and audited financial statements for the company or the company for management of mandatory and voluntary pension funds together with the gross balance;

b) quarterly unaudited basic financial statements and additional reports and annual unaudited and audited financial statements and additional reports for the voluntary pension fund together with the gross balance;

c) more detailed data on the acquisition and transfer of the assets of the voluntary pension fund, indicating each individual asset, the date and price of the transaction and the legal entity that performs the service with the securities;

d) data on the costs of the Agency, custodian, transactions, marketing, agents and other costs in accordance with this Law;

e) data of the shareholders of the company including names and addresses;

f) names of the members of the management bodies and the employees in the company and the amount of the fees for their operation;

g) information on submitted notifications to the members and to the retired members referred to in Article 114 paragraphs (1) and (3) of this Law;

h) more detailed data on the total number of members of the voluntary pension fund, the number of members who have joined the voluntary pension fund, the number of those who have transferred to another voluntary pension fund, the number of deceased members and the number of beneficiaries of pension benefits;

i) more detailed data on the total number of retired members of the voluntary pension fund, the number of persons who have concluded a contract for programmed withdrawals, lump sum or multiple payments and combination by type of payment, the number of retired members who terminated the contracts and made a change of the company that pays the programmed withdrawal or the type of payment of pension benefit, the number of deceased retired members;

j) detailed data on all insurers and data on occupational pension schemes included in the voluntary pension fund;

k) records referred to in Article 33 paragraph (3) of this Law;

l) a certificate with an opinion from the authorized actuary;

m) an annual report on the operation of the authorized actuary;

n) a report on the manner of fulfilling the obligations referred to in Articles 30-a, 30-b and 34-b of this Law;

o) a report on the performed assessment of the assets of the voluntary pension fund;

p) reports from internal controls and internal audits and

q) other data prescribed by the Agency.

(2) The unaudited financial statements referred to in paragraph (1) items a) and b) of this Article shall be submitted within one month after the end of the period to which the reports refer, and the audited financial statements referred to in paragraph (1) items a) and b) of this Article shall be submitted within three months after the end of the period to which the reports refer. The reports referred to in paragraph (1) items a) and b) of this Article shall be published by the ­company or the company for management of mandatory and voluntary pension funds on its website within five days from the submission to the Agency.

(3) The data referred to in paragraph (1) items c) and o) of this Article shall be submitted for each assessment date no later than the next working day.

(4) The data referred to in paragraph (1) items d), h), i) and j) of this Article shall be submitted once a month, no later than the fifth day of the month for the previous month.

(5) The data referred to in paragraph (1) items e), f) and n) of this Article shall be submitted once a year, no later than 15 days from the end of the business year.

(6) The data referred to in paragraph (1) item g) of this Article shall be submitted within one month from the end of the period to which the data refer.

(7) The reports referred to in paragraph (1) item p) of this Article shall be submitted for each quarter, no later than the fifth day of the month for the previous quarter.

(8) The certificate with an opinion referred to in paragraph (1) item l) of this Article shall be submitted within one month after the end of the period to which the certificate refers, and the report referred to in paragraph (1) item m) of this Article shall be submitted in within three months after the end of the reporting period.

(9) The records referred to in paragraph (1) item k) of this Article shall be submitted within 15 days after the end of each calendar year.

(10) The Agency ­shall prescribe in detail the type and period to which the data refer, the manner and the form of their presentation and the procedure for their submission.

**CHAPTER 11**

**FEES**

**Article 117**

(1) The company may charge only the following fees:

a) contribution fee as a percentage of each paid contribution to the voluntary pension fund, before their conversion into accounting units. The amount of the contribution shall be determined by the company, but it cannot exceed 7 percent of each paid contribution;

b) monthly fee as a percentage of the value of the net assets of the voluntary pension fund, to cover the costs of the company. The monthly fee is determined by the company, but it cannot exceed 0.15 percent per month. The fee shall be calculated on each date of assessment of the assets of the voluntary pension fund and shall be charged once a month and

c) fee in case of transfer of funds to a voluntary individual or professional account of a member of one voluntary pension fund to another voluntary pension fund, provided that the transferring member has been a member of the existing voluntary pension fund for less than one year before transferring to the future voluntary pension fund. The maximum amount of the monetary fee and the method of payment shall be determined in more detail by the Agency upon prior opinion from the Ministry of Labor and Social Policy.

(2) The fee referred to in paragraph (1) item c) of this Article shall be paid by a member of a voluntary pension fund when transferring funds from one voluntary individual account when the member transfers to another voluntary pension fund, and shall be paid by an insurer when transferring funds from one professional account to another when the insurer transfers to another voluntary pension fund. The company or the representative of the company that manages the pension fund, to which the member joins, must not pay this fee.

(3) The fee referred to in paragraph (1) item c) of this Article shall not be charged in the following cases:

a) if the company that is to transfer funds from one pension fund to another pension fund has increased or reported an increase in the fees referred to in paragraph (1) of this Article, in a period of 180 days before the date of such transfer of funds;

b) if the member does not have funds on a professional account or on a voluntary individual account;

c) if the funds are transferred from one professional account to another or from a professional account to a voluntary individual account due to a change of insurer or due to exclusion of the participant from an occupational pension scheme;

d) if the Agency proves that the person has become a member of that voluntary pension fund as a consequence of marketing and advertising activities contrary to the provisions of this Law;

e) if a bankruptcy procedure has been opened against the company that manages that pension fund or the authorization for managing that voluntary pension fund has been withdrawn or revoked, or

f) in case of merger or joining of the company that is to transfer funds from one to another voluntary pension fund, in the period of 180 days after the merger or joining.

**Article 118**

(1) The fees referred to in Article 117 paragraph (1) of this Law shall be collected by the company in the same percentage from all members of the voluntary pension fund, except in the case of members who are participants in an occupational pension scheme.

(2) As an exception to paragraph (1) of this Article, the fee referred to in Article 117 paragraph (1) item a) of this Law may be reduced for all members of the voluntary pension fund who have been members of that pension fund for a period of time determined by the company. The reduction of the fee shall be done in an equal way so that no distinction is made between the members who were members of the same voluntary pension fund in the same period of time.

# Article 119

(1) The Company shall be obliged to inform all members of the pension fund of any proposal to increase the fees referred to in Article 117 paragraph (1) of this Law, at least 180 days before their introduction. The Company shall be obliged to notify all retired members of the pension fund of any proposal to increase the fees referred to in Article 117 paragraph (1) item b) of this Law, at least 180 days before their introduction.

(2) The notification ­referred to in paragraph (1) of this Article shall be made ­in writing and shall be submitted to each member and a retired member of the pension ­fund and to the Agency. The notification shall be published on the website of the company and in at least one daily ­newspaper in the Republic.

(3) When a member transfers from one voluntary pension fund to another, the company that manages the future voluntary pension fund shall provide a copy of the notification referred to in paragraph (1) of this Article.

# Article 120

(1) The transaction commissions related to the transactions for acquisition or transfer of the assets of the pension fund shall be paid from the assets of the pension fund.

(2) The company shall be obliged to control the commissions paid from the assets of the pension fund it manages, to the selected legal entities that provide services with securities directly related to trading with the assets of the pension funds, in order to ensure that those fees are fully competitive with the commissions charged by other legal entities for similar transactions. In order to protect the interests of the members and the retired members of the pension funds, the Agency may prohibit a affiliated person of the company from performing services with securities directly related to trading with the assets of the pension funds.

(3) In order to ensure the competitiveness referred to in paragraph (2) of this Article, the selection of domestic legal entities that can provide services with securities shall be performed on the basis of: lowest commission, trading volume, personnel, technical and organizational capacity. In order to be selected, the domestic legal entity must have employed at least two authorized brokers, with at least two years of work experience as an authorized broker.

(4) The Agency shall prescribe the required trading volume, personnel, technical and organizational skills.

(5) The selection of legal entities that perform services with securities shall be performed for a period of one year, according to the procedure prescribed in this Article.

(6) The Agency shall give consent to the contracts concluded between the company and the legal entities that provide services with securities. With the contract, the company shall submit the fee tariff to the Agency.

**Article 121**

All other expenses related to the management of a voluntary pension fund that are not covered by the commissions, fees or charges set forth in this Law shall be borne by the company managing that voluntary pension fund.

**CHAPTER 12**

**WORKING WITH ACCOUNTS AND ESTIMATION**

**OF THE ASSETS OF VOLUNTARY PENSION FUNDS**

**Article 122**

(1) The contributions, transferred assets and all returns from their investment shall be distributed to individual accounts that are in the name of the members of the voluntary pension funds. The voluntary contributions of the members, the transferred funds and all the returns from their investment shall be distributed to voluntary individual accounts and/or professional accounts that are in the name of the members and the retired members of the voluntary pension fund.

(2) ­The data on the individual accounts in the voluntary pension ­fund shall be kept by the company that manages that fund.

**Article 123**

(1) ­Accounting units shall be used for recording the individual accounts and the assets of the voluntary pension funds.­

(2) When performing ­an assessment, one accounting unit shall be a proportional part of the total net assets of that pension fund.

(3) ­The value of the total number of accounting units of the voluntary pension ­fund is always equal to the total value of the net assets of that fund, calculated in accordance with Article 124 of this Law ­.

(4) The assets ­referred to in paragraph (1) of this Article may be converted into parts of an accounting unit, and the value of the assets from the individual account of the member of the voluntary pension ­fund may also be expressed as part of an accounting unit.

**Article 124**

(1) ­The value of the assets of the voluntary pension ­fund shall be determined on the basis of the market value of each individual asset.

(2) ­The value of the net assets of the voluntary pension ­fund shall be determined by reducing the liabilities of the pension fund, except the liabilities to the members and retired members of the pension ­fund, from the value of the assets of the pension fund.

(3) The Agency shall prescribe in detail the ­act of assessing the assets of the voluntary pension ­funds and calculating the value of their net assets.

**Article 125**

(1) The conversion ­of the funds from the contributions in accounting units shall be performed on previously determined dates (assessment dates), based on the value of the accounting units on that date. The assessment date shall always be on the last working day of each month. The agency shall prescribe shorter deadlines on the assessment date, if fully funded pension insurance and the financial market impose a need.

(2) The Agency shall prescribe the ­value of one accounting unit on the first assessment date after the first payment of contributions to a voluntary pension ­fund in more detail.

(3) Until the ­conversion of the contributions into accounting units, they shall be kept on a special account of a voluntary pension fund. The interest on those funds shall be the income of the voluntary pension fund.

**Article 126**

(1) ­The value of the net assets of the voluntary pension fund shall be calculated on each assessment date, for which the Agency shall be immediately notified.

(2) The value of the accounting unit of that pension fund shall be calculated on each assessment date, for which the company shall immediately notify the Agency.

(3) The calculations referred to in paragraphs (1) and (2) of this Article shall be performed by the company, and shall be confirmed by the custodian and they shall be subject to control by the Agency.

(4) The company shall be obliged to change the estimated value for a certain security at the request of the Agency if it during the control determines that the company used an inappropriately calculated price for the security or the fair value does not correspond to the real market situation, as well as when the interests of members and retired members are at stake.

**Article 127**

(1) A company that manages a voluntary pension fund shall be obliged, at the end of June and December each year, to determine the return in nominal and real amount for the previous 84 months, in accordance with paragraph (2) of this Article. If the voluntary pension fund did not receive contributions for a period of 84 months, but received for a period of 12 months, at the end of June or December, the return for the period from June 1, i.e., December after the establishment of the fund until the end of June, i.e., December when the calculation is made. The company shall submit the return data to the Agency.

(2) The return of the voluntary pension fund in nominal amount shall be equal to the change of the value of the accounting unit on the last assessment date referred to in paragraph (1) of this Article in relation to the value of the accounting unit on the last assessment date of the initial month of paragraph (1) of this Article. The return of the voluntary pension fund in real amount shall be calculated based on the return of the voluntary pension fund in nominal amount and the level of living costs in the same period for which the return is calculated published by the State Statistical Office of the Republic of Macedonia. The amount of return shall be expressed as a percentage.

**Article 128**

The Agency ­shall regulate in more detail:

a) ­the methodology for calculating the return of voluntary pensions­ and methods for rounding off those values and­

b) the date on which the company shall be obliged to inform the Agency about the value of the net assets of the voluntary pension fund, the precise methodology for determining the dates at the end of June and December with which the calculations will be made, the assessment methodology, the value of the accounting unit, the return of the relevant pension fund and the manner of such reporting.

**Article 129**

(1) ­The accounting of the companies and the voluntary pension ­funds shall be performed in accordance with the laws and the international accounting standards.

(2) The Agency ­shall prescribe in detail the chart of accounts, the form and the content of the basic financial statements, the additional reports for the voluntary pension ­funds, as well as the content of the separate accounts in the chart of accounts for the pension funds.

(3) The Agency shall prescribe in detail the form and content of the financial statements of the companies.

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# CHAPTER 13

**INVESTMENT OF THE ASSETS OF VOLUNTARY PENSION FUNDS**

**Article 130**

(1) The company shall be obliged to invest the assets of the voluntary pension fund in accordance with the provisions of this Law and the investment strategy in order to achieve the highest return only in favor of the members and retired members of the voluntary pension fund and through diversification and financial analysis in order to minimize the risk of losses:

1) which occurred due to nonpayment of the issuer or the other contracting party;

2) arising from the impact on the domestic and foreign financial markets;

3) in the real value of the assets of the voluntary pension fund due to inflation and

4) which is a consequence of the sale of the assets of the voluntary pension fund due to the provision of liquidity to the voluntary pension fund.

(2) Member of the management board, supervisory board and person responsible for investment decisions in the company in the management and control of the investment of the assets of the voluntary pension fund shall be obliged to apply a degree of care, effectiveness and skills that a reasonable person would apply when investing their own funds. Each member should fulfill their obligation in accordance with their fiduciary duty and should ensure their implementation by every employee and work engaged person in the company.

**Article 131**

(1) Based on the provisions of Articles 132 and 133 of this Law, the assets of the voluntary pension fund may be invested only in the following types of instruments:

a) bank deposits in banks that have a license issued by the National Bank of the Republic of Macedonia if they bear interest;

b) bonds and other securities issued or guaranteed by the National Bank of the Republic of Macedonia;

c) certificates of deposit, commercial bills and bonds issued or guaranteed by banks that have a license issued by the National Bank of the Republic of Macedonia;

d) securities based on a mortgage issued by banks that have a license issued by the National Bank of the Republic of Macedonia;

e) bonds and other securities issued or guaranteed by the Republic of Macedonia on the domestic market;

f) shares ­of domestic joint stock companies which are not closed-end investment funds issued ­on the basis of license by the Securities and Exchange Commission of the Republic of Macedonia and which are listed on the official market or traded on the market of joint stock companies with special reporting obligations on the regular market of the stock exchange or on another organized market of securities in the Republic of Macedonia controlled by the Commission;

g) bonds ­issued on the basis of license by the Securities and Exchange Commission of the Republic of Macedonia and listed on the official market of the long-term securities exchange or on another organized securities market in the Republic of Macedonia controlled by the Commission, issued by local self-government units and domestic non-bank joint stock companies;

h) commercial bills issued by non-bank joint stock companies in the Republic of Macedonia;

i) equity documents and stocks of investment funds in the Republic of Macedonia that have the approval of the Securities and Exchange Commission of the Republic of Macedonia;

j) bonds and other securities issued by foreign governments and central banks of European Union and OECD member states;

k) debt securities issued by the European Central Bank, the European Investment Bank and the World Bank;

l) debt securities that have a rating recommended for investment according to international credit rating agencies, issued by local self-government units, non-state, foreign companies or banks from the European Union member states and OECD member states;

m) shares issued by foreign companies or banks that have a rating recommended for investment according to international credit rating agencies, which are traded on the main stock exchanges in the European Union member states and OECD member states;

n) equity documents, shares and other instruments issued by authorized open-end and closed-end investment funds based in a member state of the European Union and OECD member states and

o) other type of investment in accordance with the acts of the Agency, provided that it is not in contradiction with Article 134 of this Law.

(2) The trading with the securities of the pension funds shall be performed on regulated secondary markets, over-the-counter markets and primary markets for the instruments that meet the requirements of this Article.

(3) The assets of the voluntary pension funds may be used for investment in instruments that meet the conditions prescribed by the Agency for:

a) the conditions to be met by regulated secondary capital markets where the assets of these pension funds are traded;

b) the quality of the shares, bonds and other instruments in which the assets of the pension funds are invested; and

c) the countries or groups of countries in which the assets of the pension funds can be invested.

**Article 132**

(1) The assets of the voluntary pension fund may be invested in securities of the same issuer up to 10% of the nominal value of an individual security issued by that issuer. As an exception, in bonds and other debt securities issued by local self-government units and by domestic joint stock companies up to 20% of the nominal value of the individual security issued by the issuers may be invested. The assets of the voluntary pension fund may not be invested in more than 40% of the total issued bonds of the local self-government unit. Bonds and other securities issued or guaranteed by the Republic of Macedonia on the domestic market or in one of the EU or OECD member states may be invested without restriction.

(2) A maximum of 5% of the value of the assets of the voluntary pension fund may be invested in instruments, except deposits and certificates of deposit, issued by the same entity that is not established by the state and is registered in the Central Register of the Republic of Macedonia or in the member state of the European Union or the OECD, where up to 7.5% of the funds of the voluntary pension fund can be invested in instruments, other than deposits and certificates of deposit, of such interconnected entities. As an exception, in shares and stocks of investment funds issued by the same management company from a member state of the European Union or the OECD, a maximum of 15% of the value of the assets of the voluntary pension fund may be invested, whereby in an individual investment fund a maximum of 5% of the value of the assets of the voluntary pension fund may be invested.

(3) A maximum of 10% of the assets of the voluntary pension fund may be invested in deposits and certificates of deposit of a bank that has a license issued by the National Bank of the Republic of Macedonia, except in deposits and certificates of deposit in a bank that is a custodian of the voluntary pension fund where a maximum of 5% of the assets of the voluntary pension fund can be invested. Up to 15 % of the assets of the voluntary pension fund can be invested in deposits and certificates of deposit of interconnected banks.

(4) The Agency ­may prescribe restrictions on the investments of certain types of instruments other than the restrictions determined in this Article and Article 133 of this Law, which will be valid for a period prescribed by the Agency, but not longer than five years. Restrictions may not be lifted in whole or in part without prior written notice to any company managing the voluntary pension fund.

**Article 133**

Investments in certain types of instruments in accordance with Article 131 paragraph (1) of this Law shall be subject to the following restrictions:

a) up to 50% of the value of the assets of a voluntary pension fund may be invested in instruments of foreign issuers of financial instruments outside the Republic of Macedonia. Within this restriction, up to 30% of the value of the assets of the voluntary pension fund may be invested in instruments referred to in Article 131 paragraph (1) items l), m) and n) of this Law;

b) up to 80% of the value of the assets of a voluntary pension fund may be invested in instruments referred to in Article 131 paragraph (1) items b) and e) of this Law;

c) up to 60% of the value of the assets of a voluntary pension fund may be invested in the instruments referred to in Article 131 paragraph (1) items a), c) and d) of this Law;

d) up to 40% of the value of the assets of a voluntary pension fund may be invested in the instruments referred to in Article 131 paragraph (1) items g) and h) of this Law. Within this limit, up to 10% of the value of the assets of the voluntary pension fund may be invested in bonds issued by the local self-government units.

e) up to 30% of the value of the assets of a voluntary pension fund may be invested in the instruments referred to in Article 131 paragraph (1) item f) of this Law and

f) up to 5% of the value of the assets of a voluntary pension fund may be invested in the instruments referred to in Article 131 paragraph (1) item i) of this Law.

**Article 134**

The assets of the voluntary pension fund may not be invested in the following types of instruments:

a) shares, bonds and other securities that are not listed on the official market or that are not traded publicly;

b) instruments that cannot be legally disposed of;

c) tangible goods which are seldom listed on organized markets and whose valuation is uncertain, such as antiques, works of art and motor vehicles;

d) real estate and any share in real estate except securities issued on the basis of mortgage and indirect investment through open and closed investment funds;

e) shares, bonds and other securities issued by:

1) a shareholder of the company;

2) a custodian of the property of the voluntary pension fund and

3) persons affiliated to the entities listed in sub-items 1 and 2 of this item;

f) futures contracts, option contracts, forward contracts and other derivative instruments; and

g) other instruments prescribed by the Agency in which the investment would be contrary to the interests of the members of the pension funds.

**Article 135**

(1) In case of violation of the provisions of this Law as a result of changes in market prices, changes in exchange rates of foreign currencies, changes in organizational or economic relations between entities in which funds of a voluntary pension fund are invested, other circumstances outside direct control of the relevant company for managing voluntary pension funds, the company managing the fund shall be obliged to immediately notify the Agency, to stop investing in that instrument and to take measures to harmonize the investment activities of the voluntary pension fund, with the provisions of this law.

(2) As an exception to paragraph (1) of this Article, the company managing the pension fund shall not be obliged to immediately take measures to correct the overdrafts of the investment restrictions determined in this Law, if the individual overdraft is not greater than 20% of the limit and the sum of all overdrafts does not exceed 5% of the net asset value of the voluntary pension fund.

(3) The company that manages the pension fund shall be obliged to harmonize the investment activity of the voluntary pension fund that manages the conditions of this Law within 180 days from the date of the committed violation or from the date of assessment of the assets of the pension fund when it became clear that there was a violation of this law, depending on which action first occurred.

(4) At the request of the company that manages the pension fund, submitted within 30 days after the date of the violation of this Law, the Agency has the right to extend the deadline referred to in paragraph (3) of this Article for a maximum of 540 days, if extension is necessary for the protection of the interests of the members and retired members of the pension fund.

**Article 136**

The company must not:

a) sell the assets of the voluntary pension fund to itself, to the mandatory pension fund it manages, to the custodian who keeps its assets, to foreign asset managers, to insurers who have occupational pension schemes included in that voluntary pension fund and a person affiliated to any of these persons, except by way of a transaction performed through a stock exchange authorized by the Securities and Exchange Commission of the Republic of Macedonia, i.e., an appropriate competent body in case of investing assets abroad when it does not know or does not assume who the buyer is;

b) buy with the assets of the voluntary pension fund, assets from the persons listed in item a) of this paragraph, except through a transaction performed through a stock exchange authorized by the Securities and Exchange Commission of the Republic of Macedonia, i.e., appropriate competent body in case of investing assets abroad when it does not know or does not assume who the seller is and

c) use the assets of the voluntary pension fund for approving loans and guarantees except for guarantees for borrowing from Article 141 paragraph (1) of this Law.

**Article 137**

(1) The company, the shareholders of the company, the custodian, the asset managers, the members of the management board and the supervisory board and any person, including the employees of the Agency, who as a result of official position received information about the investment of the assets of the voluntary pension fund or for planned investment, and such information was not officially published on the market and could affect the prices of listed instruments, they shall be obliged to keep the information strictly confidential according to the classification with an appropriate degree of secrecy in accordance with law.

(2) The persons referred to in paragraph (1) of this Article may not directly or indirectly use the confidential information referred to in paragraph (1) of this Article, in order to gain benefit for themselves or for others through the sale and purchase of securities, except for voluntary pension fund.

(3) The company shall be obliged to compensate the damage that was directly inflicted on the voluntary pension fund by the company for management of voluntary pension funds, directors, responsible persons and other employees or engaged persons, as a result of violation of the provisions of this Law, and especially the provisions of this Article and Articles 130, 131, 132, 133, 134, 135, 136, 138, 139, 140, 141 and 142 of this Law.

(4) The Agency shall prescribe the manner of preventing the misuse of the information referred to in paragraph (1) of this Article obtained as a result of the official position.

**Article 138**

(1) The company shall be obliged to manage the assets of the voluntary pension fund and must not transfer the management to others.

(2) As an exception to paragraph (1) of this Article, the company managing the voluntary pension fund may entrust the management of the assets of the pension fund abroad to a manager or managers of assets based abroad, if they have legal authority for asset management in accordance with the laws of the home country.

(3) In the cases referred to in paragraph (2) of this Article, the statute of the company that manages the pension fund shall regulate the criteria and the manner of transferring the management of the assets of the voluntary pension fund abroad.

(4) The company shall be obliged to inform the Agency for changes of the asset manager, but it shall not be obliged to request a license for that.

(5) The Agency shall more closely regulate the transfer of the management of the assets of the voluntary pension fund to an external asset manager.

**Article 139**

(1) The persons referred to in Article 137 paragraph (1) of this Law shall be obliged to inform the Agency for each securities transaction that they have concluded in their own name and for their own account, every 180 days or shorter upon the request of the Agency.

(2) The Agency shall prescribe the content and the manner of notification referred to in paragraph (1) of this Article.

**Article 140**

(1) Every company that manages a voluntary pension fund should have an investment strategy document and review it at least every three years.

(2) The investment strategy document should in particular contain the bases for analyzes that include setting a planned return for the voluntary pension fund, for a period of time corresponding to the period in which a member of a voluntary pension fund of average age will be a member of the fund, having in mind the level of cost of living, in accordance with the provisions of Article 130 of this Law. The investment strategy document should state how the risks related to the achievement of the planned return and the strategic investment of the assets will be managed, the investment risk measurement methods, the risk management processes that will be applied to achieve the planned return and monitoring the manner of its realization.

(3) At least once a year, the company shall prepare a document for each pension fund it manages on how to implement the investment strategy for the next 12 months, including the strategic investment of each asset class, the internal investment restrictions and the exposure to risks.

(4) The Agency shall regulate in more detail the content of the investment strategy document.

**Article 141**

(1) The company that manages the pension fund may be indebted on behalf and for the account of the voluntary pension fund that it manages exclusively for the purpose of improving the liquidity of the voluntary pension fund.

(2) The total amount of the borrowed funds must not exceed a certain percentage of the value of the assets of the voluntary pension fund, which is more closely prescribed by the Agency, but not more than 5%.

**Article 142**

In order to protect the interests of the members and the retired members of the pension funds, the Agency may impose additional restrictions regarding the investment, with the prior consent of

**CHAPTER 14**

**PENSION BENEFIT**

**Article 143**

(1) A member of a voluntary pension fund shall acquire the right to a pension benefit from voluntary fully funded pension insurance ten years before the age for acquiring the right to an old-age pension at the earliest in accordance with the Law on Pension and Disability Insurance.

(2) The member shall be obliged to make his/her choice from Article 144 paragraph (1) of this Law no later than 70 years of age. If the member does not make a choice, the company shall inform him/her about the selection obligation.

(3) Before choosing the manner of payment of pension compensation, at the request of a member, the company shall be obliged to inform him/her about the amount of his/her voluntary individual account and professional account and about the selection referred to in Article 144 of this Law.

**Article 144**

(1)When a member of a voluntary pension fund acquires the right to a pension benefit, the entire amount of accumulated funds on his/her account will be used, with the right of personal choice of the member for:

a) payment of the total amount on his/her account, lump sum or multiple;

b) purchase of a life annuity payable by an authorized insurance company for this purpose;

c) programmed withdrawals provided by the company with which the member has entered into a contract for programmed retirement withdrawals; and

d) a combination of the options listed in points a), b) and c) of this paragraph.

(2) If the amount on the member's account is less than the amount prescribed by the Agency, the member shall be entitled only to the pension benefit referred to in paragraph (1) item a) of this Article.

**Article 145**

In case of death of a member or a retired member of a pension fund, the funds ­from the account of that member or a retired member shall be part of the inheritance estate and those funds shall be handled in accordance with the Law on Inheritance.

**Article 146**

When a member of a voluntary pension fund is diagnosed with general incapacity for work by the Commission for assessment of working ability at the Pension and Disability Insurance Fund of Macedonia, he/she has the right, regardless of age, to choose one of the possibilities for pension benefit listed in Article 144 paragraph (1) of this Law.

**Article 147**

The provision of pension benefits shall be performed in accordance with the Law on Payment of Pensions and Pension Benefits from Fully Funded Pension Insurance.

**CHAPTER 15**

**CUSTODIAN**

**Article 148**

(1) The company for management of voluntary pension funds shall be obliged to elect a sole custodian, to whom it entrusts the responsibility for keeping the assets of the voluntary pension fund. The company for management of mandatory and voluntary pension funds may have the same custodian for both the voluntary pension fund and the mandatory pension fund.

(2) If the voluntary pension fund has assets outside the territory of the Republic of Macedonia, the custodian shall also elect a sub-custodian for custody of those assets, which shall be a bank or specialized depository institution, shall have a work permit issued by a competent authority in a country outside the Republic of Macedonia and shall be authorized for such activity in accordance with the laws of the country where it will keep the funds of the voluntary pension fund. The selected sub-custodian must have an investment advisory rating according to reputable international credit rating agencies. The agency shall prescribe in detail the criteria for rating the sub-custodian.

(3) All instruments in which the assets of the pension fund are invested must be kept by a custodian. All inflows and outflows of monetary assets of the pension fund shall be made only from accounts of the voluntary pension fund that are open and kept with the custodian.

(4) The custodian may perform custody services for several voluntary and mandatory pension funds, but shall be obliged to perform the custody of the assets, the operation related to those assets and the records of each pension fund separately for each pension fund; separately from other clients and separately from own funds, operations and records.

**Article 149**

(1) A custodian of the domestic assets is a bank that has a license issued by the National Bank of the Republic of Macedonia.

(2) In order to perform activities for custody of the assets of voluntary pension funds, the custodian must meet the following conditions:

a) to have own funds at least in the amount of EUR 9,000,000 in MKD counter value at the middle exchange rate of the National Bank of the Republic of Macedonia, in accordance with the definition of own funds in the Banking Law and consent of the National Bank of the Republic of Macedonia to perform custodian activity;

b) not to be a shareholder in the company managing the voluntary pension fund whose property it keeps, nor a shareholder in the foreign manager of assets of that voluntary pension fund, nor a shareholder in any person affiliated to the company and to not have any capital connection between these persons; and

c) the members of the management board or the supervisory board of the custodian and other employees of the custodian cannot be members of the management board or the supervisory board, general manager, director or other employees of the company whose assets are kept, nor in the foreign manager of assets and not be in the same relationship with other persons affiliated to the company or its foreign manager of assets.

(3) The bank that performs activities of a property custodian should have a special organizational unit for performing those activities.

(4) If the bank ceases to meet any of the conditions referred to in paragraph (2) of this Article in the period while it is a custodian of a voluntary pension fund, it shall be obliged to immediately inform the company and the Agency and to undertake activities for compliance with the provisions of paragraph (2) of this Article in a period not longer than three months from the day when it ceased to fulfill any of the conditions.

**Article 150**

(1) The custodian of a voluntary pension fund shall perform the following activities:

a) keeps all securities that are assets of the voluntary pension fund safe;

b) keeps the securities that constitute assets of the voluntary pension fund as electronic records on a special account in the Central Securities Depository;

c) keeps the settlement documents related to the payment of funds to the bank account of the voluntary pension fund; and the payment of funds from the bank account of the voluntary pension fund;

d) acts as an intermediary for settlement of securities transactions on the basis of orders from the company and keeps and collects income from dividends, interest and all other income arising from the investments of the assets of the voluntary pension fund;

e) ensures that the contracts regarding the acquisition, investment and transfer of the assets of the voluntary pension fund are in accordance with this law, the statute of the voluntary pension fund and the orders arising from the transactions of the company for management of pension funds and that those orders are in accordance with this law;

f) calculates the net assets and the accounting unit of the voluntary pension fund, checks and confirms the calculations performed by the company and is responsible for the accuracy of the calculations;

g) checks the compliance of the portfolio of the voluntary pension fund with the investment restrictions in accordance with this Law and the bylaws;

h) cooperates and supervises the sub-custodian;

i) calculates and pays investment-related taxes and submits a request for tax refund and exemption;

j) reports on the annual meetings of the shareholders of the companies and on the property-related rights and executes the orders related to the realization of the property rights.

(2) All fees of the custodian shall be paid by the company from its own funds.

**Article 151**

(1) The custodian shall be obliged to immediately, first orally, and then in writing notify the Agency in case of doubt or non-compliance with the contract for custody of assets in which the custodian is a contracting party, this Law or for an action contrary to the interests of members of the voluntary pension fund.

(2) The obligation referred to in paragraph (1) of this Article shall equally refer to illegalities or other actions committed by the company and another person.

(3) At each assessment date the custodian shall inform the Agency of the value of the net assets and the accounting unit of the voluntary pension fund.

(4) If there is a discrepancy between the calculations of the net assets and the accounting unit of the voluntary pension fund made by the company and the custodian, the company shall be obliged to comply with the calculations made by the custodian. The custodian shall immediately notify the Agency of the manner of resolving the non-compliance.

(5) If, after the inspection referred to in Article 150 paragraph (1) item e) of this Law, the custodian determines non-compliance of the portfolio of the voluntary pension fund, it shall immediately notify the Agency.

(6) ­The custodian shall submit to the Agency a report on its operation once a year by January 31 of the previous year.

(7) The Agency ­shall prescribe in detail the period, form and type of data that should be contained in the reports referred to in paragraphs (3), (4) (5) and (6) of this Article.

**Article 152**

(1) The company and the custodian must have a permanent contract for custody of the assets. This contract must contain:

a) specific functions, obligations and duties of the custodian including his responsibility for records and settlement;

b) degree of responsibility for the sub-custodian and

c) all fees charged by the custodian.

(2) The selection of the custodian and the contract referred to in paragraph (1) of this Article shall be subject to prior written consent of the Agency.

**Article 153**

(1) The legal responsibility of the custodian may not be limited by a contract and such provisions in a contract for custody of assets shall be null and void.

(2) The custodian shall be liable for the damages caused due to non-performance, negligent or improper performance of the duties and the damages cannot be covered by the funds of the voluntary pension fund.

(3) The custodian may not transfer his responsibility in accordance with paragraph (2) of this Article even in case it has transferred some duties to a sub-custodian in accordance with Article 148 paragraph (2) of this Law.

(4) In case when the custodian is a bank and it or persons affiliated to it are shareholders in another company, the bank shall be obliged to take measures for ensuring complete confidentiality of the data.

**Article 154**

(1) The notice period for termination of the contract for custody of assets may not be shorter than 180 days, except in the cases referred to in Article 155 of this Law. The contracting party that wants to terminate the contract shall be obliged to submit a written notification to the other party and to immediately notify the Agency, stating the reasons for termination of the contract.

(2) The selection of another custodian shall be performed only with the prior written consent of the Agency, based on a reasoned request with the necessary data for the proposed custodian, which shall be submitted to the Agency by the company.

**Article 155**

(1) In case the custodian is deprived of the consent for performing the activity of custodian by the National Bank of the Republic of Macedonia due to non-performance or improper execution of the obligations from the contract for custody of assets or in cases of bankruptcy or liquidation of the custodian:

a) the company shall be obliged to immediately inform the custodian and the Agency that it is terminating the contract for custody of assets;

b) the company shall be obliged to immediately select a new custodian and obtain written consent from the Agency; and

c) if the company does not act in accordance with items a) and b) of this paragraph, the Agency may with a decisionissue an order to change the custodian or appoint a new custodian.

(2) The Agency may order the company to change the custodian even in case its financial or organizational structure has significantly deteriorated and poses a potential threat to the security of the assets held by that custodian, as well as due to non-performance, improper or negligent performance of the obligations under the contract for custody of assets:

a) the company shall be obliged to immediately inform the custodian that it is terminating the custody contract;

b) the company shall be obliged to immediately select a new custodian and obtain written consent from the Agency; and

c) if the company does not act in accordance with items a) and b) of this paragraph, the Agency may with a decisionissue an order to change the custodian or appoint a new custodian.

(3) The National Bank of the Republic of Macedonia or another competent institution shall be obliged to immediately notify the Agency about the deteriorations of the financial and organizational structure of the bank that performs activities of custody of assets, of which it is aware and considers that it could endanger the interests of the members and retired members of the voluntary pension fund. The volume, content and form of the notice shall be regulated in more detail by the Agency with the National Bank of the Republic of Macedonia and other competent institutions.

**Article 156**

(1) Every change of the custodian shall be performed in a way that will ensure uninterrupted performance of the custody services of the voluntary pension fund.

(2) In case of termination of a contract for custody of assets, the custodian shall be obliged to hand over the assets given to him for custody and the entire records and documentation related to the performance of obligations in accordance with Article 150 of this Law to the new custodian, within a period to be agreed upon by the contracting parties, but not later than 30 working days after the conclusion of the contract between the new custodian and the company for management of voluntary pension funds.

**Article 157**

The assets of the voluntary pension fund, deposited in accordance with the provisions of this Law, may not be enforced in a procedure against the custodian, those assets shall not be part of the assets of the custodian against whom a bankruptcy or liquidation procedure has been initiated and cannot be subject to any settlement.

**CHAPTER 16**

## TAXATION

**Article 158**

(1) Personal income tax shall not be calculated nor paid for the voluntary contributions paid by an insurer for its employees and members. The amount of exemption for one calendar year may not exceed four average monthly gross salaries in the Republic, published for the previous year, per employee or member.

(2) The member of the voluntary pension fund who pays own funds in the pension fund that are previously taxed, shall have the right to a return of the personal income tax calculated on the amount of the paid contribution to the voluntary pension fund. The amount on which the return for one calendar year shall be calculated may not exceed four average monthly gross salaries in the Republic, published for the previous year.

(3) The member of a voluntary pension fund for the funds paid to his/her individual account by a natural person, which are previously taxed, shall have the right to a return of the personal income tax calculated on the amount of the paid contribution to the voluntary pension fund. The amount on which the return for one calendar year shall be calculated may not exceed four average gross monthly salaries in the Republic, published for the previous year.

(4) The personal income tax refund of the members referred to in paragraphs (2) and (3) of this Article shall be performed annually directly on the voluntary individual account of the member of the pension fund by submitting a request for tax return by the member or the natural person on behalf of the member.

(5) The Minister of Finance shall prescribe in detail the manner of performing the tax return on the individual account of a member of a voluntary pension fund, as well as the form and content of the request referred to in paragraph (4) of this Article.

**Article 159**

(1) The income from investment of the assets of the voluntary pension funds shall not be taxed.

(2) The income from investment of the assets of the voluntary pension funds, distributed on voluntary and professional accounts of the members shall not be taxed.

**Article 160**

Voluntary fully funded pension insurance services shall be exempt from value added tax.

**CHAPTER 17**

**PENALTY AND MISDEMEANOR PROVISIONS**

# a) CRIMES

**Article 161**

(1) A responsible person in a company for management of a pension fund who, by falsely presenting or concealing facts, misleading or in another illegal way, manages to make a decision in the company for illegal use or investment of the assets of the voluntary pension fund, due to which damage will be caused to the assets of the voluntary pension fund will be punished with imprisonment of one to five years.

(2) If due to the crime from paragraph (1) of this Article, damage has occurred to the assets of a large-scale pension fund, the perpetrator shall be punished with imprisonment of one to ten years.

**Article 162**

(1) A responsible person in a custodian who, by failing to perform or improperly performing his/her legal obligations related to the safe safekeeping of securities that are assets of a voluntary pension fund, causes damage to those assets shall be punished with a fine or with imprisonment of up to three years.

(2) The punishment referred to in paragraph (1) of this Article shall also apply to a responsible person in a custodian who will allow the implementation of a contract for investment acquisition or transfer of assets to the voluntary pension fund that he/she knew was illegal, and therefore damage will be caused to those assets.

(3) If due to the crime from paragraph (1) of this article, damage has occurred to the funds from the large-scale voluntary pension fund, the perpetrator shall be punished with imprisonment of one to five years.

**Article 163**

A responsible person in a company for management of voluntary pension funds or other legal entity that performs activities related to voluntary fully funded pension insurance, which by exceeding or not exercising its powers will violate, deprive or limit the right of a member of a voluntary pension fund guaranteed by law will be punishable by a fine or up to three years in prison.

# b) MISDEMEANOR PROVISIONS

**Article 164**

**Settlement and Commission for deciding on misdemeanors**

(1) For the misdemeanors determined in Articles 169 of this Law, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be imposed by the Commission for deciding on misdemeanors of the Agency for Supervision of Fully Funded Pension Insurance established in accordance with the Law on Mandatory Fully Funded Pension Insurance.

(2) The provisions of the Law on Mandatory Fully Funded Pension Insurance that refer to the settlement and to the Commission for deciding on misdemeanors shall be applied in the procedures related to the misdemeanors prescribed by this Law.

(3) The authorized persons for control of the misdemeanors determined in Articles 165, 166, 167, 168, 169, 171 and 172 of this Law, shall be obliged to propose to the perpetrator of the misdemeanor a settlement procedure by issuing a misdemeanor payment order before submitting request for misdemeanor procedure.

(4) The Agency shall prescribe the form and the content of the misdemeanor payment order referred to in paragraph (3) of this Article.

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Procedure for indication and education

(1) If during the control the authorized person for control determines that for the first time an irregularity has been committed from articles 34 paragraphs (3), (4) and (5), 107 paragraph (4), 109 paragraph (8) and 116 of this law, the person shall be obliged to compile a report in which he/she will determine the committed irregularity with an indication for removal of the determined irregularity within 15 days of the indication and simultaneously hand over an invitation for conducting education to the person or entity where the irregularity has been determined.

(2) The form and the content of the invitation for education, as well as the manner of conducting the education shall be prescribed by the Agency.

(3) The education shall be organized and conducted by the Agency, within a period not longer than eight days from the day of conducting the control.

(4) The education can be conducted for several determined same or similar irregularities for one or more subjects.

(5) If in the scheduled term the person or entity for which the education is conducted does not appear, it shall be considered that the education has been conducted.

(6) If the person or entity for which the education is conducted appears at the scheduled education and completes it, it shall be considered that he/she has been educated regarding the determined irregularity.

(7) If the authorized person for control during the implementation of the control determines that the determined irregularities from paragraph (1) of this Article have been removed, he/she shall bring a conclusion with which he/she shall stop the control procedure.

(8) If the authorized person for control during the control determines that the determined irregularities referred to in paragraph (1) of this Article have not been removed, he/she shall submit a request for initiating a misdemeanor procedure before the Commission for deciding on a misdemeanor.

(9) The Agency shall keep records of the conducted education in a manner prescribed by the Agency.

**Article 165**

(1) A fine in the amount of EUR 9,000 to 10,000 in MKD counter value shall be imposed for a ­misdemeanor to a company for management of voluntary pension funds or to a company for management of mandatory and voluntary pension funds if it:

1) establishes more than one voluntary pension fund, contrary to Article 12 paragraph (1) of this Law;

2) fails to pay the ­founding capital prescribed by Article 21 of this Law;

3) the founding capital is from ­sources that are not allowed by Article 22 of this ­article;

4) fails to ­perform appropriate harmonization of the activities within 180 days from the change of the organizational relations in accordance with Article 24 of this Law;

5)fails to ­acquire consentfor ­any acquisition or transfer of sharesin accordance with ­Article 27 paragraph (1) of this Law;

5 -a) fails to fulfill the fiduciary duty referred to in Article 30-a paragraph (1) of this Law;

6) pledges, assignats or transfers the ­funds from the account of a member or a retired member of a voluntary pension ­fund in favor of third parties contrary to Article 101 paragraph (3) of this Law;

7) ­collect fees in a manner and in amounts not provided for in Articles 117 and 118 of this Law;

8) fails to ensure full competitiveness of the commissions in accordance with Article 120 of this Law;

9) ­reimburses costs contrary to Article 121 of this Law;

10) does not ­distribute the contributions, the transferred funds and the return on investments on the individual accounts of the members or the retired members of the voluntary pension ­funds and does not keep records in accordance with Article 122 of this Law;

11) fails to ­convert the funds from contributions and the transferred funds into accounting units in accordance with Article 123 of this Law;

12) ­assesses the assets of a voluntary pension fund contrary to the rules contained in Article 124 of this Law and the acts prescribed by the Agency;

13) does not ­calculate the net assets of the fund and the value of the accounting unit on each valuation date and does not change the estimated value of a certain security, in accordance with Article 126 of this Law;

14) keeps the accounting of the company and the voluntary pension fund contrary to the laws of the Republic of Macedonia and the international accounting standards and the form and content of the financial statements prescribed by the Agency in terms of Article 129 of this Law;

15) invests funds from the voluntary pension fund contrary to Articles 130, 131, 132, 133 and 134 of this Law and the acts prescribed by the Agency;

16) sells­, buys or uses assets contrary to the restrictions referred to in Article 136 of this Law;

17) transfers the management ­of the assets to the voluntary pension fund, contrary to Article 138 paragraphs (1) and (2) of this Law;

18) borrows contrary to the goals and restrictions referred to in Article 141 of this Law;

19) does not ­elect a custodian to whom it entrusts the responsibility for custody of the assets from the voluntary pension fund or does not have a permanent contract with a custodian in accordance with Articles 148 paragraphs (1) and (2) and 152 of this Law;

20) ­elects a custodian that does not meet the requirements of Article 149 of this Law;

21) fails to ­fulfill the obligations provided in Article 155 paragraphs (1) items a) and b) and (2) of this Law and

22) fails to provide ­uninterrupted performance of the services for keeping the assets of the pension fund in accordance with Article 156 ­paragraph (1) of this Law.

(2) A fine up to twice the maximum of the fine referred to in paragraph (1) of this Article shall be imposed on the ­company for management of voluntary pension funds or a company for management of mandatory and voluntary pension funds, if with the misdemeanor referred to in paragraph (1) of this article it has acquired greater property gain or caused greater property damage to the voluntary pension fund.

(3) A fine in the amount referred to in paragraph (1) of this Article shall be imposed on a company for management of voluntary pension funds, if it:

1) performs ­activities not provided for in Article 16 paragraph (1) of this Law;

2) fails to increase ­and maintain the capital in accordance with Article 19 paragraphs (2), (4) and (5) of this Law;

3) fails to maintain­, calculate and increase ­its own funds calculated according to the methodology prescribed by the Agency in accordance with Article 19 paragraphs (6) and (7) of this Law;

4) fails to maintain ­liquid assets in accordance with Article 19 paragraph (9) of this Law;

4-a) fails to join the Center in accordance with Article 43 paragraph (5) of this Law.

5) performs a merger contrary to Articles 47, 48 and 51 of this Law;

6) makes changes without a license from the Agency in accordance with Article 44 paragraph (1) of this Law;

7) manages a mandatory pension fund without a license from the Agency referred to in Article 67 paragraph (1) of this Law and

8) submits a request for approval for a license to perform activity - management of mandatory pension funds and attaches incorrect data in the submitted documentation contrary to Article 67 paragraph (2) of this Law

(4) A fine up to twice the maximum amount of the fine referred to in paragraph (1) of this Article shall be imposed on ­the company for management of voluntary pension funds if with the misdemeanor referred to in paragraph (1) of this Article it has acquired greater property gain or caused greater property damage to the voluntary pension fund.

(5) A fine in the amount referred to in paragraph (1) of this Article shall be imposed on a company for management of mandatory and voluntary pension funds, if it:

1) performs ­activities not provided for in Article 16 paragraph (2) of this Law;

2) fails to increase ­and maintain the capital in accordance with Article 20 paragraphs (2), (4) and (5) of this Law;

3) fails to maintain­, calculate and increase ­its own funds calculated according to the methodology prescribed by the Agency in accordance with Article 20 paragraphs (6) and (7) of this Law;

4) fails to maintain ­liquid assets in accordance with Article 20 paragraph (9) of this Law;

5) buys ­shares from another company for management of mandatory and voluntary pension funds or is reorganized, contrary to Article 27 paragraph (5) of this Law;

5-a) fails to join the Center in accordance with Article 59 paragraph (5) of this Law.

6) makes changes without a license from the Agency in accordance with Article 60 paragraph (1) of this Law;

7) makes changes without a license from the Agency in accordance with Article 66 of this Law;

8) makes changes without a license from the Agency in accordance with Article 72 of this Law and

9) performs a merger contrary to Articles 78, 79 and 82 of this Law.

(6) A fine up to twice the maximum of the fine referred to in paragraph (1) of this Article shall be imposed on a company for management of mandatory and voluntary pension funds, if with the misdemeanor referred to ­in paragraph (1) of this Article it has acquired greater property gain or caused greater property damage to the voluntary pension fund.

(7) A fine in the amount referred to in paragraph (1) of this Article shall be imposed only on a company for management of mandatory pension funds:

1) manages a voluntary pension fund without the licenses from the Agency referred to in Article 61 paragraph (1) of this Law and

2) submits a request for approval for a license to perform activity - management of voluntary pension funds and attaches incorrect data in the submitted documentation contrary to Article 61 paragraph (2) of this Law.

(8) A fine up to twice the maximum amount of the fine referred to in paragraph (1) of this Article shall be imposed on a ­company for management of mandatory pension funds, if with the misdemeanor referred to in paragraph (1) of this Article it has acquired greater property gain or caused greater property damage to the voluntary pension fund.

(9) A fine in the amount of EUR 400 to 500 in MKD counter value shall be imposed for a ­misdemeanor referred to in paragraph (1) of this Article to the responsible person in the company for management of voluntary pension funds or in a company for management of mandatory and voluntary pension funds, for the misdemeanor referred to in paragraph (3) of this Article to the responsible person in the company for management of voluntary pension funds, for the misdemeanor referred to in paragraph (5) of this Article to the responsible person in the company for managing mandatory and voluntary pension funds, for the misdemeanor from paragraph (7) of this article to the responsible person in the company for management of mandatory pension funds.

(10) For the misdemeanors determined in this article, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be pronounced by a competent court.

**Article 166**

(1) A fine in the amount of EUR 8,000 to 9,000 in MKD counter value shall be imposed for a misdemeanor to a company for management of voluntary pension funds or to a company for management of mandatory and voluntary pension funds if it:

1) does not adopt a code for good corporate governance and does not work in accordance with Article 13 paragraph (3) of this Law;

2) does not establish efficient control mechanisms and does not establish procedures and appoint a person in accordance with Article 30-b of this Law;

3) uses its funds for purposes prohibited by Article 32 of this Law;

4) fails to meet the requirements provided in Article 33 paragraphs (1), (2), (3), (4), (5) and (6) of this Law;

5) fails to establish an organizational unit for internal audit in accordance with Article 34 of this Law;

6) fails to comply with the obligations referred to in Article 34-a paragraphs (1), (2), (3) and (4) of this Law;

7) fails to establish risk management activities, fails to appoint a person responsible for risk management and fails to submit a report in accordance with Article 34-b paragraphs (1), (2) and (5) of this Law;

8) fails to appoint an external certified auditor with good references and fails to publish an excerpt from the audited financial report with the opinion of the certified auditor in accordance with Article 35 of this Law;

9) acts contrary to Article 35-a of this Law;

10) refuses membership of a person who meets the conditions prescribed by Article 94 paragraph (1) of this Law;

11) fails to open a voluntary individual account and a professional account in accordance with Article 95 paragraph (1) of this Law;

12) fails to transfer the funds from the existing to the future pension fund in accordance with Article 97 paragraph (1) of this Law;

13) fails to secure the rights of a member of a pension fund who has ceased to pay contributions to the fund before retirement in accordance with Article 99 of this Law;

14) provides incorrect and inaccurate information on the voluntary pension fund, on the occupational pension scheme or the company that manages that fund in the sense of Article 107 paragraph (1) of this Law;

15) gives statements or forecasts for the future investment results for the voluntary pension fund in the sense of Article 107 paragraph (2) of this Law;

16) the premises of the company and the premises of its business associates for marketing do not meet the requirements of Article 108 paragraph (1) of this Law;

17) fails to conclude a contract for performing marketing activities of a voluntary pension fund with a business associate in accordance with Article 108 paragraph (2) of this Law;

18) concludes contracts with a natural person without the mediation of an agent contrary to Article 109 paragraph (1) of this Law;

19) applies marketing procedures of pension funds prohibited by Article 112 of this Law;

20) fails to comply with the requirements regarding the publication of an information prospectus contained in Article 113 paragraphs (1), (2) and (3) of this Law;

21) fails to submit an information prospectus and statute of a member and a retired member of a voluntary pension fund, fails to provide them for inspection in accordance with Article 113 paragraph (4) of this Law, and

22) submits data to the members and to the retired members in a form contrary to Article 114 paragraph (6) of this Law;

23) fails to fulfill the obligation for regular informing of the members and the retired members of the voluntary pension fund in accordance with Article 114 of this Law;

24) fails to submit to the Agency the information referred to in Article 116 paragraph (1) of this Law and in the acts prescribed by the Agency;

25) fails to notify the Agency and all members and retired members of the Pension Fund of any change in the amount of benefits, in a manner and within deadlines provided for in Article 119 of this Law;

26) fails to determine the return for the pension fund it manages in accordance with Article 127 of this Law;

27) acts contrary to the restrictions provided by Article 135 of this Law;

28) does not have an investment strategy document with content in accordance with Article 140 paragraphs (1) and (2) of this Law and the acts prescribed by the Agency;

29) fails to notify the Agency when it wants to cancel the contract for custody of property in accordance with Article 154 paragraph (1) of this Law, and

30) does not act in accordance with the views and opinions expressed in the acts of the Agency.

(2) A fine up to twice the amount referred to in paragraph (1) of this Article shall be imposed on the company, if with the misdemeanor referred to in paragraph (1) of this Article it has acquired greater property gain or caused greater property damage to the pension fund.

(3) A fine in the amount of EUR 300 to 400 in MKD counter value shall be imposed for the misdemeanor referred to in paragraph (1) of this Article to a responsible person in the company.

(4) For the misdemeanors determined in this article, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be pronounced by a competent court."

**Article 167**

(1) A fine in the amount of EUR 4,000 to 5,000 in MKD counter value shall be imposed for a misdemeanor on a company for management of voluntary pension funds or a company for management of mandatory and voluntary pension funds, if it:

1) fails to act upon any of the requirements referred to in Article 28 paragraph (3) of this Law;

2) does not prepare an annual work plan, report on its operations and does not submit them to the Agency in accordance with Article 34 paragraphs (3), (4) and (5) of this Law;

3) does not submit to the Agency, in a photocopy or on an appropriate external media, the published marketing material within three days after its publication.

4) fails to submit data and information to the Agency within the deadlines provided for in Article 116 paragraphs (2), (3), (4), (5), (6), 7, 8 and 9 of this Law, and

5) does not immediately inform the Agency about the value of the net assets of the voluntary pension fund and the value of the accounting unit of the voluntary pension fund in accordance with Article 126 paragraphs (1) and (2) of this Law.

(2) A fine in the amount of EUR 4,000 to 5,000 in MKD counter value shall be imposed for a misdemeanor on a company for management of voluntary pension funds, if it:

- fails to act in accordance with Article 109 paragraph (8) of this Law.

(3) A fine in the amount of EUR 200 to 300 in MKD counter value shall be imposed for the misdemeanor referred to in paragraph (1) of this Article to a responsible person in the company.

(4) For the misdemeanors determined in this article, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be pronounced by a competent court.

**Article 168**

(1) A fine in the amount of EUR 9,000 to 10,000 in MKD counter value shall be imposed for a ­misdemeanor on a custodian if it:

1) does not eliminate the illegalities in accordance with Article 53 paragraph (5) of the Law on Mandatory Fully Funded Pension Insurance;

1 -a) fails to ­keep the assets, the operations related to those assets and the records of the pension funds separately for each pension fund, separate from the other clients and separate from its own funds, operations and records in accordance with Article 1 48 paragraph (4) from this to ­to;

2) fails to undertake activities for compliance with the provisions of Article 149 paragraph (2) in a period not longer than three months from the day when it ceased to meet any of the conditions in accordance with Article 149 paragraph (4) of this Law;

3) does not do the work from Article 150 of this Law ­to;

4) acts contrary to Article 151 of this Law;

5) covers the damages from the assets of the pension fund contrary to Article 153 paragraph (2) of this Law;

6) does not ensure ­complete confidentiality of the data in accordance with Article 153 paragraph (4) of this Law­;

7) does not notify the Agency when it wants ­to cancel the contract for custody of assets in accordance with Article 154 paragraph (1) of this­ Law and

8)in case ­of termination of the contract for custody of assets it does not fulfill the obligations from article 156 paragraph (2) of this Law.

(2) A fine up to twice the maximum amount of the fine referred to in paragraph (1) of this Article shall be imposed on a custodian, if with the misdemeanor referred to in paragraph (1) of this ­Article if it has acquired greater property gain or caused greater property damage.

(3) A fine in the amount of EUR 400 to 500 in MKD counter value shall be imposed for a ­misdemeanor referred to in paragraph (1) of this Article and to a responsible person ­in the custodian.

(4) For the misdemeanors determined in this article, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be pronounced by a competent court.

**Article 169**

A fine in the amount of EUR 200 to 250 in MKD counter value shall be imposed on a natural person for a misdemeanor if:

1) a member of the management board, supervisory board and responsible person for: investment decisions, risk management, internal audit, individual accounts, marketing, control of agents and calculation of programmed withdrawals does not fulfill the fiduciary duty from Article 30-a paragraph (1) of this law.

2) as a person responsible for individual accounts does not comply with the obligations referred to in Article 33 paragraph (9) of this Law.

3) the actuary does not comply with the obligations provided in Article 34-a paragraphs (5), (6), (7) and (10) of this Law and

4) a person responsible for risk management does not provide an objective risk analysis and does not properly advise the management board in accordance with Article 34-b paragraph (3) of this Law.

5) as an agent of a company does not comply with the obligations and restrictions provided in Article 107 paragraphs (1) and (2) of this Law.

6) a person responsible for marketing does not comply with the obligations referred to in Article 107-a paragraph (1) of this Law;

7) a person responsible for control of agents does not comply with the obligations referred to in Article 107-a paragraph (2) of this Law;

8) as an agent of a company does not comply with the obligations and restrictions provided in Article 109 paragraphs (2) and (4) of this Law.

9) a natural person does not comply with the obligations and restrictions provided in Article 109 paragraphs (3) and (6) of this Law.

10) as an agent of a company makes contacts contrary to Article 110 of this Law.

**Article 171**

(1) A fine in the amount of EUR 4,000 to 5,000 in MKD counter value shall be imposed for a misdemeanor on a legal entity that is an insurer of an occupational pension scheme if it:

1) does not provide the information provided in Articles 85 paragraph (3) and 88 paragraph (1) of this Law;

2) organizes several occupational pension schemes, contrary to Article 87 of this Law;

3) does not bear the benefits for the members of the pension fund who participate in its professional scheme, in accordance with Article 89 of this Law and

4) makes the choice contrary to the interests of the participants in its occupational pension scheme or introduces mechanisms for restricting the rights of the participants in its occupational pension scheme contrary to Article 90 of this Law.

(2) A fine up to twice the maximum amount of the fine referred to in paragraph (1) of this Article shall be imposed on the legal entity that is an insurer of an occupational pension scheme, if with the ­violation referred to in paragraph (1) of this Article if it has acquired greater property gain or caused greater property damage to the participants in the pension scheme.

(3) A fine in the amount of EUR 300 to 400 in MKD counter value shall be imposed for a ­misdemeanor referred to in paragraph (1) of this Article to the responsible person in the insurer.

(4) For the misdemeanors determined in this article, a misdemeanor procedure shall be conducted and a misdemeanor sanction shall be pronounced by a competent court.

**Article 172**

(1) A fine in the amount of EUR 4,000 to 5,000 in MKD counter-value shall be imposed for a misdemeanor on a legal entity that has applied for a license to establish a company and has submitted incorrect data in the submitted documentation contrary to Articles 30 and 55 paragraph (1) of this Law.

(2) A fine in the amount of EUR 300 to 400 in MKD counter value shall be imposed for a misdemeanor referred to in paragraph (1) of this Article to the responsible person in the legal entity.

(3) The competent body for pronouncing the misdemeanor sanctions referred to in paragraphs (1) and (2) of this Article shall be the competent court.

# 84.-

# CHAPTER 18

## TRANSITIONAL AND FINAL PROVISIONS

**Article 173**

The agents of a company for managing a mandatory pension fund established before the entry into force of this Law should take an additional exam for voluntary fully funded pension insurance and re-register in the Register of Agents, if that company has also established a voluntary pension fund.

**Article 174**

(1) The requests referred to in Articles 54 paragraph (1), 61 paragraph (2) and 67 paragraph (2) of this Law shall be submitted from the date determined by the Agency, for which the Government of the Republic of Macedonia shall give its consent.

(2) The Agency shall set a date for all companies before which marketing activities and public opinion polls for voluntary fully funded pension insurance may not be undertaken.

**Article 175**

The bylaws provided by this law will be adopted within 180 days from the day this law enters into force.

**Article 176**

# Revoked by Decision of the Constitutional Court of the Republic of Macedonia no. 11 8/2008, published in the "Official Gazette of the Republic of Macedonia" no. 118/2008.

# Article 177

The provisions of Articles 102, 103, 104 and 105 of this Law shall start to apply from the day of accession of the Republic of Macedonia to the European Union.

**Article 178**

The Agency may impose various restrictions on investment from the date of accession of the Republic of Macedonia to the European Union.

**Article 179**

(Article 66 of the "Official Gazette of the Republic of Macedonia" No. 124/2010)

The Agency shall register the existing voluntary pension funds in the register of mandatory and voluntary pension funds and shall assign an identification number to them within 15 days from the day this Law enters into force.

**Article 180**

(Article 67 of the "Official Gazette of the Republic of Macedonia" No. 124/2010)

Existing companies for management of mandatory and voluntary pension funds shall be obliged to comply with the provisions referring to Article 28 paragraphs (7) and (8) of the Law on Voluntary Fully Funded Pension Insurance ("Official Gazette of the Republic of Macedonia" No. 7/2008), within one year from the day this Law enters into force.

**Article 181**

(Article 68 of the "Official Gazette of the Republic of Macedonia" No. 124/2010)

The provision referring to Article 95 paragraph (6) of the Law on Voluntary Fully Funded Pension Insurance ("Official Gazette of the Republic of Macedonia" No. 7/2008), will not apply to natural persons who have paid a contribution to the voluntary individual account of a member of voluntary pension fund on the basis of a membership contract until the day this law enters into force.

**Article 182**

(Article 69 of the "Official Gazette of the Republic of Macedonia" No. 124/2010)

The amount of exemption from personal income tax on voluntary contributions paid by an insurer to its employees and members for 2009 and 2010 may not exceed six average monthly net salaries in the Republic, published for the previous year per employee or member.

The amount for which the personal income tax return is calculated for a member of the voluntary pension fund who has played own funds in the voluntary pension fund for 2009 and 2010 may not exceed six average monthly net salaries in the Republic, published for the previous year per employee or member.

The amount for which the personal income tax return is calculated for a member of the voluntary pension fund for the funds paid to his individual account from a natural person for 2009 and 2010 may not exceed six average monthly net salaries in the Republic, published for the previous year per employee or member.

**Article 183**

(Article 70 of the "Official Gazette of the Republic of Macedonia" No. 124/2010)

The bylaws provided by this law shall be adopted within six months from the day this law enters into force.

**Article 184**

(Article 18 of the "Official Gazette of the Republic of Macedonia" No. 17/2011)

Until the enactment of a law regulating the payment of pensions and pension benefits from fully funded pension insurance, the payment of the pension benefit will be made with a lump sum payment of the total amount from the member's account.

**Article 185**

(Article 19 of the "Official Gazette of the Republic of Macedonia" No. 17/2011)

The bylaws provided by this law will be adopted within 15 days from the day this law enters into force.

**Article 186**

(Article 20 of the "Official Gazette of the Republic of Macedonia" No. 17/2011)

The Legislative-Legal Commission of the Assembly of the Republic of Macedonia shall be authorized to determine a consolidated text of the Law on Voluntary Fully Funded Pension Insurance.

**Article 187**

(Article 21 of the "Official Gazette of the Republic of Macedonia" No. 17/2011)

This Law shall enter into force on the eighth day from the day of its publication in the "Official Gazette of the Republic of Macedonia".

Article 188

(Article 75 of the "Official Gazette of the Republic of Macedonia" No. 13/2013)

The company for management of voluntary pension funds should harmonize the investment activity of the voluntary pension fund it manages with Article 56 paragraph (1) of this Law, which amends Article 130 of the Law on Voluntary Fully Funded Pension Insurance and Article 57 of this Law which amends Article 131 paragraph (1) items e) and f) of the Law on Voluntary Fully Funded Pension Insurance no later than January 15, 2013.

Article 189

(Article 76 of the "Official Gazette of the Republic of Macedonia" No. 13/2013)

Agents registered in the Register of Agents before the entry into force of this Law should take an additional exam for payment of pensions and pension benefits from fully funded pension insurance and re-register in the Register of Agents no later than March 1, 2014.

Article 190

(Article 77 of the "Official Gazette of the Republic of Macedonia" No. 13/2013)

The bylaws provided by this law shall be adopted within one year from the day this law enters into force.

Article 191

(Article 78 of the "Official Gazette of the Republic of Macedonia" No. 13/2013)

The Legislative-Legal Commission of the Assembly of the Republic of Macedonia shall be authorized to determine a consolidated text of the Law on Voluntary Fully Funded Pension Insurance.

Article 200

(Article 79 of the "Official Gazette of the Republic of Macedonia" No. 13/2013)

The provisions of Article 65 of this Law which adds a new item f) in Article 150 paragraph (1) after point e) of the Law on Voluntary Fully Funded Pension Insurance ("Official Gazette of the Republic of Macedonia" No. 7/08, 124 / 10 and 71/11), will enter into force on January 1, 2014.

The provisions of Article 66 paragraph (2) of this Law which add three new paragraphs (3), (4) and (6) in Article 151 after paragraph (3) of the Law on Voluntary Fully Funded Pension Insurance ("Official Gazette of the Republic of Macedonia" No. 7/08, 124/10 and 71/11), will enter into force on January 1, 2014.

Article 201

(Article 80 of the "Official Gazette of the Republic of Macedonia" No. 13/2013)

This Law shall enter into force on the eighth day from the day of its publication in the "Official Gazette of the Republic of Macedonia”.

Article 202

(Article 22 of the "Official Gazette of the Republic of Macedonia" No. 103/2021)

The bylaws provided by this law shall be adopted within six months from the day this law enters into force.

Article 203

(Article 23 of the "Official Gazette of the Republic of Macedonia" No. 103/2021)

This Law shall enter into force on the day of its publication in the "Official Gazette of the Republic of North Macedonia".