

BERMUDA

**NATIONAL PENSION SCHEME
(FIRST TIME HOMEOWNER REFUND) REGULATIONS 2024**

BR / 2024

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The Minister of Finance, in exercise of the power conferred by sections 24(9)(f) and 69 of the National Pension Scheme (Occupational Pensions) Act 1998, makes the following Regulations:

Citation

1 These Regulations may be cited as the National Pension Scheme (First Time Homeowner Refund) Regulations 2024.

Interpretation

2 In these Regulations, unless the context indicates otherwise—

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“account balance” means the market value of all the contributions, plus earnings thereon, excluding any voluntary contributions and related earnings, in the applicant’s account;

“the Act” means the National Pension Scheme (Occupational Pensions) Act 1998;

“applicant” means a person who has not attained the normal retirement age of 65 years, and who makes an application under these Regulations;

“child” means a child, step-child or adopted child of the applicant, and includes a child of a male applicant who is the registered father of the child or has been adjudged by a court to be the father of the child;

“refund” means a lump-sum refund, as provided under section 24(9)(f) of the Act, of up to—

(a) 30% of the applicant’s account balance, in the case of an applicant under the age of 45 years; or

(b) 15% of the applicant’s account balance, in the case of an applicant who is 45 years old or older but who has not yet attained the age of 65 years;

“relevant statement” has the meaning given in regulation 5;

“working day” means a day that is not a public holiday.

Application of Regulations

3 These Regulations apply to an applicant who is—

(a) a member or former member of a defined contribution pension plan; or

(b) a member or policy-holder of a local retirement product.

Applying for a Refund

Applying for a refund

4 (1) An applicant may make one application for a refund in respect of his account to enable the applicant, their husband or wife, as the case may be, or their child, to apply such refund towards the purchase of a principal residence in Bermuda as a first time homeowner.

(2) The application shall be made to the Pension Commission on the application form provided by the Commission.

(3) The application form must be dated and signed by the applicant, and shall be accompanied with the following—

(a) the documents requested in the application form in support of the application; and

(b) the relevant statement referred to in regulation 5.

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(4) The applicant shall, in addition to the matters required under paragraph (3), provide such additional information or documents requested by the Commission to assist it in determining the application, within the time specified by the Commission by notice in writing.

(5) Where an applicant has more than one account, he shall make one application only in respect of any or all of those accounts.

Relevant statement

5 (1) The relevant statement required under regulation 4(3)(b) shall be the written statement, showing the value of the applicant's account balance, issued by the administrator of the pension plan or local retirement product within thirty days of the date stated on the application form required under regulation 4(2).

(2) A person who intends to apply for a refund must request the administrator of the pension plan or local retirement product to provide him with the relevant statement.

(3) The administrator shall, where a request has been made under paragraph (2), provide the applicant with the relevant statement within seven working days of receipt of the request.

Incomplete or defective applications

6 Where an application is incomplete or defective in a material respect the applicant shall, within the time specified by the Commission by notice in writing, complete the application or remedy the defect.

Duties of the Commission

Consideration of applications

7 (1) The Commission shall not approve an application made under regulation 4 where the applicant fails within the time specified by the Commission to—

- (a) provide such additional information or documents, where a notice has been issued to the applicant under regulation 4(4);
- (b) complete or remedy the application, where a notice has been issued to the applicant under regulation 6.

(2) Subject to paragraph (4), the Commission shall not approve more than one application during the lifetime of an applicant.

(3) The Commission shall not approve an application under regulation 4 where the residence to be purchased is not the first purchase of a residential home in Bermuda by—

- (a) the applicant; or
- (b) such applicant's husband or wife, or their child, in the case where the refund is to be applied by such husband, wife or child.

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(4) Paragraph (2) does not apply in the case where the Commission is considering another application in relation to an applicant where a previous refund approved for such applicant was returned or recovered by the Commission as provided in section 24A of the Act.

Determining amount of refund

8 When determining the amount of a refund, the Commission shall take into account the vested portion only of the account balance shown on the relevant statement.

Notification of decision

9 (1) Where the Commission approves an application, it shall notify the applicant and the administrator in writing of its decision.

(2) The Commission shall inform the applicant and the administrator in the notice referred to in paragraph (1) that, pursuant to section 24A of the Act, where the seller of the primary residence fails or is unable to complete the contract of sale it is required—

(a) for the person to whom the refund was paid for the purchase of the primary residence to return forthwith such refund to the administrator; and

(b) for the administrator to notify the Commission upon receipt of the refund referred to in subparagraph (a).

(3) The notice to the administrator shall—

(a) state the total amount of the refund from the applicant's account; and

(b) direct the administrator to make payment.

(4) Where the Commission denies an application, it shall notify the applicant in writing giving the reason for its decision.

Record keeping

10 The Commission shall retain every application received with supporting documents, together with notices issued, and the materials and information supporting its determination of the application.

Duties of the Administrator

Payment to applicant

11 The administrator shall make payment of the refund to the applicant within twenty working days of receipt of the direction issued by the Commission under regulation 9(3)(b).

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Administrator not to impose fees

12 The administrator shall not impose a charge against the account of the applicant or require payment from the applicant in respect of any duty or requirement performed by him under these Regulations.

Administrator to comply with Regulations

13 (1) The administrator shall comply with the duties imposed under these Regulations notwithstanding any terms of the pension plan or local retirement product to the contrary.

(2) The administrator shall have regard to any advice or guidance, issued by the Commission, in the performance of his duties under these Regulations.

Made this 9 day of December 2024



Premier and Minister of Finance