

ENGINEERING INDUSTRIES PENSION FUND (12/8/5040/1)

CONTRIBUTION CERTIFICATE

Fund member category factor for members who contribute to retirement savings and who are covered for risk benefits in the Fund

The Regulations in terms of paragraph 12D(5)(a) of Seventh Schedule to the Income Tax Act, 1962, determines that a fund member category factor must be calculated for each fund member category under the Fund to be used to determine fringe benefits that is taxable as from 1 March 2016.

(A fund member category is a group of members who are entitled to the same benefits and in respect of whom the same contribution rate is paid.)

Employer: All Employers who are permitted or are required in terms of the Industrial Agreement to join the Fund.

Fund member category: All members contributing towards retirement as well as in respect of uninsured death lump sum benefits.

Year of assessment: Applicable for the tax year commencing on 1 March 2021.

Fund member category factor: 15.00%

No member data is required to calculate the various component factors which are set out in the following table (as the factors can be determined directly from the contribution rates and benefits in the rules of the fund)

Description	Factor	In terms of Rule:
Defined contribution component factor ¹	13.50%	Part 9 & 12
Defined benefit component factor	-	n/a
Underpin component factor	-	n/a
Risk benefit component factor (see Note)	1.50%	Part 10
Total	15.00%	

1. Total Defined contribution (18%) less employer contribution deductions (4.50%):

Employer Contribution Deduction	
Description	1 March 2021 to 28 February 2022
Administration expenses	0.50%
Permanent Disability Scheme	1.00%
Risk reserve	3.00%
Total	4.50%

Actual contributions

The actual contributions to the Fund and transfers within the Fund will be as follows during the year of assessment:

Description	1 March 2021 to 30 June 2021	1 July 2021 to 28 February 2022
Employee Contributions:	7.50%	7.50%
- Paid by members to the Fund	7.50%	7.50%
- Transfers from the Contribution Increase Program Reserve Account	0.00%	0.00%
Employer contributions:	10.50%	10.50%
- Paid by employers to the Fund	7.50%	7.60%
- Transfers from the Contribution Increase Program Reserve Account	3.00%	2.90%
Total	18.00%	18.00%

Prepared by:



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In my capacity as Valuator of the Fund, regulated
by the Actuarial Society of South Africa and
employee of Simeka Consultants & Actuaries

16 March 2021

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