

## 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 2019.

**Fund member category factor:** 15.70%, March 2019 and 14.70%, 1 April 2019 to 29 February 2020.

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- March 2019	Factor- 1 April 2019 to 29 February 2020	In terms of Rule:
Defined contribution component factor <sup>1</sup>	14.20%	13.20%	Part 9 & 12
Defined benefit component factor	-	-	n/a
Underpin component factor	-	-	n/a
Risk benefit component factor (see Note)	1.50%	1.50%	Part 10
<b>Total</b>	<b>15.70%</b>	<b>14.70%</b>	

1. Total Defined contribution (18%) less employer contribution deductions (3.8% and 4.8% respectively):

<b>Employer Contribution deductions</b>		
<b>Description</b>	<b>March 2019</b>	<b>1 April 2019 to 29 February 2020</b>
Administration expenses	0.50%	0.50%
Permanent Disability Scheme	0.00%	1.00%
Risk reserve	3.30%	3.30%
<b>Total</b>	<b>3.80%</b>	<b>4.80%</b>

### **Actual contributions**

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

<b>Description</b>	<b>1 March 2019 to 30 June 2019</b>	<b>1 July 2019 to 29 February 2020</b>
<b>Employee Contributions:</b>	<b>7.50%</b>	<b>7.50%</b>
- Paid by members to the Fund	7.30%	7.40%
- Transfers from the Contribution Increase Program Reserve Account	0.20%	0.10%
<b>Employer contributions:</b>	<b>10.50%</b>	<b>10.50%</b>
- Paid by employers to the Fund	7.30%	7.40%
- Transfers from the Contribution Increase Program Reserve Account	3.20%	3.10%
<b>Total</b>	<b>18.00%</b>	<b>18.00%</b>

Prepared by:

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W. Kritzinger, B.Sc., FASSA

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

25 February 2019

Simeka Consultants & Actuaries (Pty) Ltd is a registered provider of financial services.

FAIS registration number: 13900

We declare that the above information is, to the best of our knowledge and belief, correct and complete.

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MEMBER OF THE BOARD

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MEMBER OF THE BOARD

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FULL NAME IN PRINT

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FULL NAME IN PRINT

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DATE

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DATE

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PRINCIPAL OFFICER

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FULL NAME IN PRINT

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