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# CIRCULAR



**NO: 05/2015**

**DATED: 31 March 2015**

**TO ALL PARTICIPANTS IN THE MOTOR INDUSTRY**

**AUTO WORKERS AND MOTOR INDUSTRY PROVIDENT FUNDS**  
**PAYMENT OF ADDITIONAL PROVIDENT FUND CONTRIBUTIONS**

MIBCO wishes to inform the industry that Employees, in order to enhance their retirement benefit may pay **additional contributions** towards their provident fund.

These additional contributions can be paid as follows:

1. Once off lump sum payment to the fund.
2. An additional % of their pensionable earnings over and above the 7.5% which is deducted for the "normal" provident fund contribution.

At present the MIBCO operational system caters for the following additional % as given below:

Auto Workers Provident Fund	Motor Industry Provident Fund
1.5%	1.5%
2.0%	2.0%
2.5%	2.5%
3.0%	3.0%
3.7%	6.0%
4.0%	7.0%
4.5%	8.0%
6.0%	

Should an Employee wish to pay an additional contribution the calculation thereof would be as follows:

Weekly Income:	R 2 500.00
Weekly provident contribution 7.5%:	R 187.50
Additional weekly provident contribution 2.5%	R 62.50
Total provident fund contribution would therefore be:	R 250.00

Employers are reminded that in the event of an employee electing to make an additional provident fund contribution that this must be clearly indicated on the Monthly Returns Reconciliation as such and not be included in the “normal” provident fund contribution of 7.5%.

The MIBCO Call Centre can be reached on 0861 664 226 should further information be required and / or assistance in the processing of the additional provident fund contribution.

The MIBCO Team

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