

DATED: 22 AUGUST 2023

TO: ALL PARTICIPANTS IN THE MOTOR INDUSTRY

NOTICE: PROVIDENT FUND EXEMPTION EXTENSION TO 31 AUGUST 2025

This serves to confirm that MIBCO will automatically be extending all approved retirement fund exemptions to 31 August 2025. Employers are not required to submit extension application for this period.

Having said the above, employers' attention is drawn to the Conduct Standards 1 of 2022, published by the Financial Sector Conduct Authority (FSCA) on 19th August 2022, which places a duty on employers to update MIBCO of any changes in benefits or conditional changes of the alternative funds during the said period. Below is an extract from the Conduct Standards referred to above:

"The persons responsible for the management of the employees' provident fund shall adhere to the request to remain compliant with the **"Motor Industry Fund Rules and the respective MIBCO Provident Fund Collective Agreements"**. Failure to comply could have repercussions for the liable persons in terms of –

- 13A(8) of the Act, persons who are in control of or regularly involved in the management of the employer's overall financial affairs shall be personally liable for any non-compliance with section 13A of the Act; and
- Section 37(1) of the Act, any person who contravenes or fails to comply with the provisions of section 13A of the Act is guilty of an offence and may be liable on conviction to a fine not exceeding R10 million or to imprisonment for a period not exceeding 10 years, or to both such fine and imprisonment."

Employers are further advised that MIBCO reserves the right to verify compliance with the exemption criteria with the employer or alternative funds during routine inspections. Employers are required to provide profile documents of alternative funds on request by MIBCO.

Failure to adhere to these conditions (amongst others), may lead to an exemption being revoked.

Should the need arise, please contact MIBCO on the below email.

MIBCO Senior Legal Officer: Tumelo Lebeloane - Tumelo.lebeloane@mibco.org.za

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