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DATED: 22 JULY 2024

TO: ALL EMPLOYERS IN THE MOTOR INDUSTRY

NOTICE: INTRODUCTION OF THE EMPLOYER PORTAL FOR EMPLOYERS TO

ADMINISTER EMPLOYEE INFORMATION

PRIORITY: HIGH

We are pleased to announce the launch of the MIBCO Self-Service Portals, Employer Section (Employer Portal), hosted on the MIBCO website (www.mibco.org.za), that will allow employers to update their employees information. In line with legislative and regulatory requirements, it is the legal responsibility of employers to ensure that the correct information is provided to MIBCO.

The FSCA Conduct Standard 1 of 2022, of 19 August 2022 (Conduct Standard), promulgated in terms of the Pension Funds Act, No. 24 of 1956, as amended (Act), requires employers to comply with respect to:

- 1. The payment of retirement fund contributions for employees; and
- 2. The maintenance of employee information.

As the Council of the Motor Industry and the 13B Administrator of the Motor Industry Retirement Fund (MIRF), MIBCO is responsible for managing the membership information according to the Administrative Collective Agreement and the Act.

The MIBCO Online Returns System and Manual Returns Processes will continue as the facilities that employers use for the payment of retirement fund contributions and all other MIBCO contributions on behalf of employees. The **Employer Portal** is an electronic platform, for employers to update and maintain employee information in real time.

The **Employer Portal** is currently being finalised and will be launched in August 2024. Employers will be required to appoint and register a **'Liable Person'**, who will be accountable and responsible for maintaining employee information on the portal.

The **Employer Portal** is intended to help employers comply with the legislative requirements of the Administrative Collective Agreement and the Act.

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We will provide further communication and information in the next few weeks to guide you through the process of registering the 'Liable Person', guidelines to login and information on how to use the Employer Portal.

For ease of reference, refer to the context of the Conduct Standard and Administrative Collective Agreement below:

Definitions:

"The Conduct Standard" means the Requirements related to the payment of pension fund contributions, 2022, published in FSCA Conduct Standard 1 of 2022, of 19 August 2022, and any word or expression to which a meaning has been assigned in the Act or Conduct Standard bears, subject to context, that meaning.

"Administrative Agreement" means the Agreement entered into between MIBCO parties for the administration of the Council as published in terms of a Government Gazette and any subsequent renewals and/or amendments thereto.

Conduct Standard and the Act:

In terms of Section 13A(8) of the Pension Funds Act, 1956, No. 24 of 1956 (Act), persons who are in control of or regularly involved in the management of the employer's overall financial affairs shall be personally liable (liable person) for any non-compliance with Section 13A of the Act.

In terms of 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.

Section 13A(9)(b) of the Act provides that, where an employer fails to comply with the requirements of Section 13A(9)(a) of the Act, all the directors (in the case of a company), all the members regularly involved in the management of the closed corporation (in respect of a closed corporation), or all the persons comprising the governing body of the employer, as the case may be, shall be personally liable in terms of section 13A(8) of the Act.

Administrative Collective Agreement:

In terms of Sub-caluse10(3) Every employer shall register employees in respect of each establishment at which he carries out business with the Regional Council. Registration of employees –

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- (a) is done in accordance with Clause 13 of this Agreement as a statement in the form of Annexure B; and
- (b) is applicable to all employees in the scope of the Motor Industry, notwithstanding sub-clause 1(3), as a statement in the form of Annexure B.

Note: Is applicable to all employees.

We urge you to register and use the portal proactively to update and maintain your employees information.

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