

Late Payment Interest on Contributions:

The Pension Funds Act required that Contributions be in the fund's bank account not later than the 7th of the month following the deduction month (example: March Contributions must be in bank account on or before 7 April).

If not paid as prescribed, interest is calculated from the 1st of the month.

The reason for the interest is to compensate members for loss of interest due to contributions not paid in time and are therefore allocated to members fund value.

Special note must be taken when the 7th falls on a weekend, contributions must then be in the fund's bank account on the Friday preceding the 7th of the month.

Special attention should also be given when payment is done via EFT. EFT transactions on average require a 24-hour turnover before appearing in the fund's bank account, it is therefore important to affect the transaction at least 24 hours before the 7th of the month.