

## ARREAR CONTRIBUTIONS AND RISK BENEFITS.

Risk benefits like medical disability and death benefits are financed from the Risk Reserve of the Fund. 5% of the employer contribution is allocated toward the Risk Reserve which is the only reserve fund kept by the Fund.

In the event where the contributions of members and employers are not received it means that these members are no longer contributing towards the Risk Reserve and therefore, in terms of section 27(2)(b) of the Rules of the Fund, after being in arrears for three consecutive calendar months or any four calendar months within a financial year, such members will not have any risk benefits any longer.

The Administrator sends out letter to employers and members for whom contributions are not received in this regard but there is seldom any positive response. Members have the responsibility to ensure that their contributions are deducted and in fact paid over to the Fund on a regular basis. It is the only way in which they can ensure that their benefits are intact.