



FUSSELL & ASSOCIATES

25 March 2010

Dear Sir or Madam

INDEBTEDNESS TO THE EMPLOYER BY A FORMER MEMBER OF YOUR PENSION/PROVIDENT FUND

In terms of the Pension Funds Act, on termination of membership a fund may reimburse the Employer from the member's termination benefit **only** in the following instances:

- i) Housing Loan made by the Employer where the Fund is liable in terms of a guarantee under the provision of the Pension Funds Act.
- ii) Theft, dishonesty, fraud and misconduct.

A judgment is to be obtained against a member in any court, including a magistrate's court; or the member must in writing admit liability for damages caused to the Employer by reason of any theft, dishonesty, fraud or misconduct by the member.

The Rules permit the withholding of any cash benefit on resignation or dismissal for a period of up to 12 months in exceptional circumstances only. The exceptional circumstances envisaged are theft, dishonesty, fraud, or misconduct where the Employer has instituted civil action against the member.

In the past in order to assist the Employer, Fussell and Associates Employee Benefits (Pty) Ltd was prepared to issue an un-crossed cheque issued in the members name for the amount owing to the Employer. The member would then endorse the cheque over to the Employer.

Fussell and Associates Employee Benefits (Pty) Ltd will with immediate effect **no longer** issue any un-crossed cheques.

It is the Employers responsibility to ensure that any outstanding monies are recovered from the Employees last salary/wages. Under no circumstances (besides the above mentioned) can this be recovered against the members benefit from the Fund.

Yours Faithfully

LD Jansen (Mrs)
General Manager
Fussell and Associates Employee Benefits (Pty) Ltd.

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AUTHORISED FINANCIAL SERVICES PROVIDERS



ASSOCIATED COMPANIES Fussell & Associates (Pty) Ltd – Reg. No. 72/03507/07 – FSB 11266 • Fussell & Associates Insurance Brokers (Pty) Ltd – Reg. No. 66/11225/07 – FSB 11268
Fussell & Associates Employee Benefits (Pty) Ltd – Reg. No. 81/09377/07 – FSB 11269 • Fussell Health (Pty) Ltd – Reg. No. 67/11068/07 – FSB 11267
Fussell Management Services (Pty) Ltd – Reg. No. 2001/027781/07 • Execuplan Administration Services (Pty) Ltd – Reg. No. 1976/001780/07 – FSB 34545