



ENGEN MEDICAL BENEFIT FUND

ANNEXURE A

PART 1 – CONTRIBUTIONS

1.1 Liability for contributions

The total monthly contribution, based on the member's income as defined and the number of the registered dependants, is payable by or in respect of the member and the registered dependants in accordance with the table below.

1.2 Contributions (effective 1 January to 31 December 2025)

Total contributions, including contributions in respect of a member's individual account

Income Category	TOTAL CONTRIBUTIONS		
	Principal member	Adult dependant	Child dependant
R0 – R6 940	R3 038	R2 582	R911
R6 941 – R20 100	R4 557	R3 645	R 1 299
R20 101+	R5 513	R4 603	R1 572

Contributions for children are limited to a maximum of four children, without limiting the number of child dependants that may be registered.

1.3 Time for payment of contributions

Contributions are due monthly in arrears and shall be payable to the Fund by not later than the 3rd day of the month following that to which the contribution applies.

PART 2 – CONTRIBUTION PENALTIES FOR PERSONS JOINING LATE IN LIFE

2.1 Contribution penalties may be applied to a late joiner. Such penalties shall be applied only to that portion of the contribution relative to the late joiner and shall not exceed the following bands:

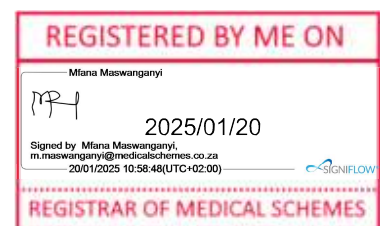
Penalty bands	Maximum Penalty
1-4 years	@ 0.05 multiplied by the relevant contribution in 1 above
5-14 years	@ 0.25 multiplied by the relevant contribution in 1 above
15-24 years	@ 0.5 multiplied by the relevant contribution in 1 above
25+ years	@ 0.75 multiplied by the relevant contribution in 1 above

2.2 Should a late joiner penalty already have been imposed and evidence of creditable coverage is produced thereafter, the penalty shall be recalculated, and such revised penalty shall be applied from the time that such evidence was provided.

2.3 If an applicant is unable to obtain documentary proof to substantiate periods of creditable coverage, he/she shall be entitled to produce a sworn affidavit declaring such detailed information and that reasonable efforts to obtain documentary evidence of such periods of creditable coverage were unsuccessful.

“**Creditable coverage** – for the purpose hereof means any period during which a late joiner was:

1. a member or dependant of a medical scheme;
2. a member or dependant of an entity doing the business of a medical scheme, which at the time if his/her membership of such scheme was exempt from the provisions of the Act;
3. a uniformed employee of the South African Defence Force or a dependant of such employee who received medical benefits from the South African National Defence Force; or



4. a member or dependant of the Permanent Force Continuation Fund but excluding any period of coverage as a dependant under the age of 21 years.

“**Late joiner**” – for the purpose hereof, means an applicant or adult dependant of an applicant who, at the date of application for membership of admission as a dependant, as the case may be, is 35 years of age or older, but excludes any beneficiary who enjoyed coverage with one or more medical schemes as from a date preceding 1 April 2001, without a break in coverage exceeding 3 consecutive months since 1 April 2001.



PART 3 – INDIVIDUAL ACCOUNT

- 3.1 On admission to the Scheme, and individual savings account (hereinafter called the individual account) held by the Scheme shall be established in the name of a member. Contribution(s) to the individual account is (are) payable by or in respect of a member and his registered dependants monthly in arrears at the same time as the contribution contemplated in paragraph 1.3 above.
- 3.2 The money available in the member’s individual account may be used to defray expenditure incurred by him/her or their dependants in connection with healthcare services received, as stated in Annexure B of these Rules.
- 3.3 The money available in a member’s individual account may also be used to reimburse such member for costs incurred by him in respect of hospitalization and related benefits where pre-authorisation has been declined, but members nonetheless wish to receive the relevant healthcare service. In which case, reimbursement to the member will be on the basis of the submission of receipted accounts as detailed in the claims procedures in terms of Rule 15 of these Rules.

3.4 At the commencement of the financial year, the Scheme shall make an advance payment equal to 10% of the total contribution shown in paragraph 1.2 above, into a member's individual account (hereinafter called the advance credit). A member shall therefore have access to the equivalent of his full individual account contribution on 1 January each year.

3.4.1 Members joining during the year shall on joining, have access to the equivalent of a pro-rated portion of the total advance credit. Pro-rating shall be based on full months available until the end of the financial year of joining, inclusive if the change of number of dependants.

3.4.2. Members resigning during the year shall, on termination of membership be entitled to the equivalent of a pro-rata portion of the advance credit. Such pro-rating shall be based on full months of membership in that financial year. Any amount that such member has utilised from the advance credit to which he is not entitled in terms of this sub-rule, shall be a debt due to the Scheme and recoverable by it.

3.4.3. Changes in the number of dependants shall likewise result in the benefits that are subject to the individual account being appropriately pre-rated.

3.4.4. An advance credit contemplated in this Rule shall be available to a member interest free.

3.5. All disbursements from an individual account shall be limited to the amount available in the account and shall be made only on the submission of the claims in terms of Rule 15.

3.6 Any balance in a member's individual account at the end of a financial year remains the property of the member and accumulates in his/her name. Such balance shall be rolled over to the following financial year.



- 3.7 Upon the death of the member, the balance due to the member will be transferred to the dependants who continue membership of the Scheme or be paid into the Estate in the absence of such dependants.
- 3.8 Should a member terminate his / her membership of the Scheme and not be admitted as a member of another medical scheme or be admitted to membership of another medical scheme which does not provide for an individual account, the balance due to the member must be refunded to the member 5 months after termination of membership, subject to applicable laws.
- 3.9 Should a member be admitted to membership of another medical scheme, which provides for a similar account, the balance due to the member must be transferred to such scheme within 5 months after termination of membership.
- 3.10 Any negative balance in a member's individual account shall be recoverable from the member by the Scheme upon the termination of membership, or in the event of his/her death, from the Estate.
- 3.11 The funds in a member's individual account may not be used to pay for the costs of a prescribed minimum benefit or to offset contributions.
- 3.12 Interest accrued on any positive balance shall be paid to the member at the rate earned by the Scheme, after deduction of bank charges and investment management fees directly related to the management of the individual account.
- 3.13 On termination of membership, funds in the member's individual account may be used to offset any debt owed by the member, including outstanding contributions.

