



IMPORTANT NOTICE FOR THE PRIVATE SECURITY SECTOR REGARDING TEMPORARY CONTRIBUTION REDUCTION

WHO SHOULD READ THIS NOTICE?

This notice applies only to members that are fall under the National Bargaining Council for the Private Security Sector. If you are unsure whether you are affected, please contact the Fund Administrator.

The Board of Trustees wishes to inform all affected Private Security Sector graded security members of a proposed temporary reduction on Fund contributions.

The National Bargaining Council for the Private Security Sector recently considered an application within the Private Security Industry due to economic pressures affecting the sector, including increased fuel prices and rising operational costs. Following consideration of submissions from employer organisations, organised labour and other stakeholders, the Independent Appeal Body (IAB) issued a ruling on 19 May 2026 granting a temporary reduction to monthly contributions for a period of nine (9) months commencing on 1 June 2026 as follows:

- Employer contributions reduced from 7.5% to 5%
- Member contributions reduced from 7.5% to 5%

WHY MEMBERS ARE BEING NOTIFIED

Although the exemption was granted through the Security Sectors bargaining council process, the purpose of this communication is to ensure that affected members are informed of:

- the proposed change to monthly contributions
- the temporary nature of the contribution reduction
- the possible impact on retirement savings and related benefits

Proposed Special Rule Amendment

The Board of Trustees intends submitting the necessary Special Rule amendments to the FSCA for all affected members.

IMPORTANT

This amendment is temporary in nature and does not permanently reduce contribution rates applicable to the Fund.

POTENTIAL IMPACT ON MEMBERS

Members should be aware that a temporary reduction in contributions may result in:

- lower retirement savings being accumulated during the exemption period
- a potential reduction in future retirement outcomes
- a possible impact on certain insured or ancillary benefits where costs are linked to contribution levels.

Members should also note that:

- the exemption is limited to nine (9) months only
- the measure is intended to assist employers facing exceptional financial pressures while supporting employment sustainability within the sector
- the exemption forms part of a bargaining council process involving employer organisations and organised labour
- contribution rates are expected to return to their normal levels upon expiry of the exemption period unless otherwise approved by the relevant regulatory authorities.

REGULATORY APPROVAL PROCESS

Members are advised that the proposed contribution reduction cannot take effect until the necessary Regulatory approvals have been obtained by the PSSPF and our Fund.

This means that, until confirmed:

- the current Rules and contribution structure remain applicable
- the proposed amendment must first be approved and registered by the FSCA
- implementation will only take place if regulatory approval is obtained

Should the required approval not be obtained, the temporary contribution reduction will NOT be implemented.

Members will be updated once the FSCA has considered the proposed Rule Amendment.

MEMBER ENQUIRIES

Should you require further information regarding this notice, please contact the Fund:

Telephone: [011 845 4700](tel:0118454700)

Website: www.senpf.co.za