

IMPORTANT NOTICE TO ALL REGISTERED COIDA EMPLOYERS

LETTERS OF GOOD STANDING

Please be informed that letters of good standing are issued only to employers who meet the following criteria:

1. Employer must be registered with the Fund as per section 80 of the COID Act,
2. Employer must have submitted **all** returns of earnings as per section 82 Of the COID Act,
3. Employer must be fully assessed as per section 83 of the COID Act,
4. Employer must have paid/ settled all outstanding debt as per section 86 of the COID Act.
5. The turn-around time to issue letters of good standing is 5 (five) days.

Employers that have not yet been assessed by the Compensation Fund will first be assessed, up to the current assessment year, and are expected to pay all assessments in order to meet the criteria set out above. This process will also assist the Fund in finalising all assessment backlogs.

Letters of good standing will also be issued on a month-to-month basis to employers that have entered into an instalment arrangement. (Refer to conditions on instalment settlements).

For effective and efficient service, employers are encouraged to make use of the online facility and register on the ROE Website (www.labour.gov.za)

IMPORTANT NOTICE TO ALL EMERGING EMPLOYERS

TENDER LETTERS

Please be informed that with effect from 1 January 2013, The Compensation Commissioner reviewed the requirements for issuing tender letters to aspiring employers not registered with the Compensation Fund.

Tender letters are issued under the following condition:

1. Tender letters will be issued to businesses that have no employees.
2. Employers that have been operating businesses without having registered with the Compensation Fund are not eligible to apply for tender letters.
3. Tender documents must be produced to the Compensation Fund in order to qualify for an issue of a tender letter.
4. The tender letter will be addressed to the Company issuing the tender.
5. The tender letter will be issued for a specific tender.
6. The responsibility to register the successful bidder with the Compensation Fund is now transferred to the company issuing the tender.

CRIMINAL PROCEEDINGS WILL BE INSTITUTED AGAINST BUSINESSES THAT UNLAWFULLY OR INTEND TO DEFRAUD AND MISREPRESENT FACTS ABOUT THEIR EMPLOYMENT STATUS.

IMPORTANT NOTICE TO ALL REGISTERED COIDA EMPLOYERS

INSTALMENT SETTLEMENTS

Please be informed that with effect from 1 January 2013:

- 1. 20% of the balance owed will be required upfront in order to enter into an instalment arrangement.**
- 2. The instalment arrangement will be approved for a maximum period of 12 months.**
- 3. Interest on non-payment or late payment of assessments is levied at the prevailing prime rate on all instalment arrangements.**
- 4. Should the instalment fall overdue, the full balance becomes payable immediately.**
- 5. Employers will be served with court orders for all instalments not honoured.**

Additional Information

The Compensation Fund is deeply concerned with the escalating number of fraudulent letters of good standing which are presented for tender purposes and in most cases are not issued in accordance with the Compensation Fund Policy.

In view of the above, The Compensation Commissioner assures employers and service providers of his commitment to curb fraud by automating the processes of issuing a letter of good standing. The current template is undergoing changes and will be modified with built-in security features that will enable employers and service providers to validate the authenticity of the letter of good standing.

A new template and the effective date of implementation of the automated process will be communicated in the near future.