

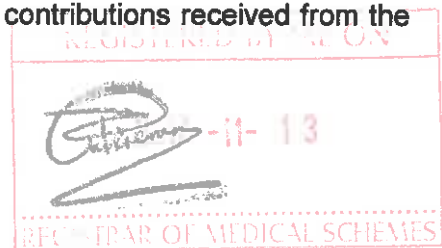
**GOVERNMENT EMPLOYEES MEDICAL SCHEME ("GEMS")**

**ANNEXURE F**

**PERSONAL MEDICAL SAVINGS ACCOUNTS**

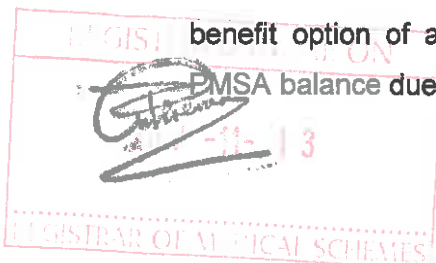
**Ruby Option**

1. On admission to the Scheme's Ruby Option, a Personal Medical Savings Account ("PMSA") shall be established in the name of the Member.
2. A PMSA shall generally be credited with that part of the contributions received from the Member as specified in paragraph 4 below.
3. A PMSA shall generally be debited with:
  - 3.1. The healthcare benefits utilised by the Member and his/her Dependants, as specified in paragraphs 6 and 7 below; and
  - 3.2. Any debt owed by the Member to the Scheme, as contemplated by Rule 14.3 and paragraph 9 below.
4. The Scheme shall not allocate more than 25% of the total gross contributions received in respect of a Member during a financial year to his/her PMSA. The current percentage so allocated is 20%.
5. PMSA funds, which are held in bank accounts and deposits, may attract returns on such investments (be it in the form of interest or any other form of return), which returns shall accrue to the benefit of the Scheme.
6. During the term of a Member's membership on the Ruby Benefit Option, the funds deposited into the Member's PMSA by the Scheme shall be available for the exclusive benefit and use of the Member and his/her Dependants, as specified in paragraph 7 below.
7. Subject to sufficient funds being available in a Member's PMSA at the date on which a claim is processed, the Member and his/her Dependants shall be entitled to claim for healthcare services in accordance with the provisions of the Act, the Rules and the Ruby



Benefit Option, and in particular, at 100% of the Scheme Rate, as specified in Annexure C (under subject heading No. "C1", "Personal Medical Savings Account (PMSA) to the Rules.

8. During the term of a Member's membership on the Ruby Benefit Option, the Scheme shall not be entitled to use the funds in the Member's PMSA to pay for the cost of a Prescribed Minimum Benefit or to offset any outstanding contributions, penalties or other debt due and payable to the Scheme.
9. However, on the death of the Member, or on the termination of his/her membership of the Scheme, or on his/her transfer from the Ruby Benefit Option which provides for a PMSA to another of the Scheme's Benefit Options which does not provide for a PMSA, the funds in the Member's PMSA may be used to offset any debt owed by the Member to the Scheme, including (but not limited to) outstanding contributions, penalties and any claims which may be submitted to the Scheme for payment following the date of such death, termination or transfer.
10. Should a Member elect to transfer between two of the Scheme's Benefit Options which both provide for a PMSA, or from one of the Scheme's Benefit Options to that of another medical scheme which both provide for a PMSA, any PMSA balance due to the Member (subject to the adjustments specified in paragraphs 3, 6, 7 and 9 above) shall be transferred by the Scheme to the Member's PMSA on his/her new Benefit Option with the Scheme or to the other medical scheme (as the case may be) within five (5) months of the date of such transfer between such two Scheme Benefit Options or of the date of termination of the Member's membership by the Scheme (as the case may be), subject to the applicable taxation laws.
11. Should a Member elect to transfer from one of the Scheme's Benefit Options which provides for a PMSA to another of the Scheme's Benefit Options which does not so provide, any PMSA balance due to the Member (subject to the adjustments specified in paragraphs 3, 6, 7 and 9 above) shall be refunded by the Scheme to the Member within five (5) months of the date of such transfer, subject to the applicable taxation laws.
12. Should a Member's membership be terminated for reasons other than his/her death and he/she not be admitted as a member of another medical scheme or be admitted to a benefit option of another medical scheme which does not provide for a PMSA, any PMSA balance due to the Member (subject to the adjustments specified in paragraphs 3,



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6, 7 and 9 above) shall be refunded by the Scheme to the Member within five (5) months of the date of termination of the Member's membership by the Scheme, subject to the applicable taxation laws.

13. Upon the death of a Member, and subject to the Scheme's receipt of a claim for any funds in the Member's PMSA by the executor of the Member's deceased estate within the three (3) year prescription period provided for in the Prescription Act 68 of 1969 (as amended), any PMSA balance due to the Member (subject to the adjustments specified in paragraphs 3, 6, 7 and 9 above) shall be paid by the Scheme to the executor, subject to the applicable taxation laws. However, in the absence of such receipt, any unclaimed funds in the Member's PMSA shall be written back to the Scheme and not be paid over to the Guardian's Fund (existing in terms of Section 86 of the Administration of Estates Act 66 of 1965).

