



fundtalk

The quarterly newsletter for members of the Government Employees Pension Fund



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1 | We are going digital



Please note that as part of our drive towards continuous improvement and service excellence, the GEPF will be using digital communication channels as the preferred method to communicate to you. As such, it is imperative that you provide us with your updated cellphone number and

a secure e-mail address. This will enable us to keep you updated on all matters related to your pension fund.

You can update your details via our Call Centre on 0800 117 669, or send it by e-mail to enquiries@gepf.co.za. Please remember to include your pension number.

If you do not have an e-mail address or cell phone, we will continue to send you letters by post, however the GEPF cannot guarantee the efficiency of the postal system.

Call Centre - 0800 117 669

www.gepf.co.za



@GEPF_SA



Submit exit documents on time and enjoy your retirement



All GEPF members who intend to retire from the public service need to advise their employers of their intention to retire six months before their planned exit date. This gives employers and the GEPF enough time to process the members' documents and subsequently helps the Fund pay the retirement benefits on time after the exit date.

The first half of the six-month period assists employer departments prepare and finalise the members' documents before submitting them to the Fund. To accomplish the timely payment of benefits, GEPF needs to receive the members' documents three months before the intended exit date. This means the rest of the six-month period is for GEPF to process the documents and prepare the benefits payment. When documents are received at the appropriate time, members are able to receive their retirement benefits soon after exiting the public service.

For the retirement process to be easier and more efficient, retiring members need to prepare and submit correctly completed retirement forms to their Human Resource (HR) departments. The required documents are;

- a less than six months old certified copy of bar-coded ID or passport,
- certified copy of marriage certificate if the employee is married,

- last salary advice/pay slip,
- proof of service termination / Persal print out (records are with the HR departments), and
- proof of admission date (this appears on the pay slip).

Retirement forms to be correctly completed by retiring members include:

- Z102 Withdrawal Form
- Z894 Banking Details form
- Retirement Choice Form (if the member has been contributing to the Fund for more than 10 years and is married)
- Z864 Updating of Personal Details form (if the member has been contributing to the Fund for more than 10 years)
- Z583 Medical Subsidy form (if the member has been a main member of a medical aid scheme for the last 12 months before retirement)
- WP1002 Nomination of Beneficiaries Form (employees are strongly encouraged to nominate their beneficiaries before they exit the public service)

Additional Information required:

- Last salary pay slip
- Proof of service termination (Persal print out)

3 | At what age can members retire?

Certain conditions of service allow for employees to retire from the public service any time after they have turned 55 (before the normal retirement age of 60 years old). This is termed

“early retirement”, while retiring at age 60 is termed “normal retirement”.

It is important to note that early retirement will only apply when the member’s employer grants permission in writing, for the member to retire during the mentioned period. In this case the member must understand the penalties he/she will incur from this choice. The employer’s written permission must be signed by the member’s Head of Department to make it valid.

The Fund’s retirement benefits vary according to the number of pensionable service years a member has. If a member retires from the public service with less than ten years contribution to the Fund the member will receive a once-off lump sum called a gratuity. The gratuity is equal to the member’s actuarial interest (the value of the members’ benefits in the Fund). On the other hand, a member who retires with more than ten years contribution to the Fund will receive a gratuity and a monthly pension called an annuity.

When members take ill health or other retirements, they receive enhanced benefits. This is when members retire due to medical reasons, an injury on duty, or when their posts are terminated due to restructuring. In this instance, members receive both the annuity and the gratuity if they have been contributing to the Fund for more than ten years. For those with less than ten years, the benefit is in line with the resignation benefit which is equal to the member’s actuarial interest.

The member’s HR department is required to submit the member’s completed retirement forms and accompanying documents to GEPE. Members are advised to sort out outstanding debts with the employers to avoid certain debts being deducted from their pension fund. Members should also ensure that all their tax affairs with SARS are up to date to avoid delay when they exit.



4 Most common errors or reasons that delay pension payment



The path to retirement is often long and unpredictable. As the GEPF, we believe this should not be the case. We believe it is our responsibility to assist you as our clients who rely on us on matters relating to your pension benefits.

We therefore continuously strive to ensure that your benefits are safe and available for you when you decide to go on retirement. However, at times, certain factors may delay our processes and we wish to turn your attention towards some of the concerns so that you become aware and prepared so that we can help each other make paying pensions easier.

The following reasons may delay your benefits:

Tax directive declined:

The GEPF is required by law to send a tax directive to SARS for all payments of pension benefits. When a tax directive is declined, it simply means a member's tax affairs are not in order. The member is required by SARS to personally consult them to resolve any tax matters that could have occurred in the tax year or any previous tax periods. The GEPF cannot pay the benefits until the member provides written proof on a SARS letterhead that the issues are resolved. This is then followed by another request to SARS by the Fund for a tax directive from SARS. If it comes back successfully, the pension can be paid.

Errors in the exit forms:

We require correctly completed exit documents to process a pension claim. If there are errors, we send the forms back to the member's employer department with notes so that the error can be rectified and the exit documents resubmitted. We also send the member a message if we have their correct contacts. It is important for members to constantly check with their employers if the exit forms were submitted and if everything is in order. We often encounter members who come to the Fund to check on the progress of their pension payment while their documents are still with their employers.

Debt to the employer:

When an employee owes their employer, it is ideal for the debt to be settled while the member is still in the employment of the employer/department. There are instances where the employer and employee fail to conclude their debt payment transaction by the time the employee exits and this leads to problems.

Should the employer want the debt to be recovered from the member's pension, there must be consent to do so (through a debt consent form) or the required court processes concluded. The GEPF will then have the authorisation to deduct the debt from the member's benefits. The GEPF is not responsible to collect debt for departments and will only do so if due process has been followed.

Maintenance/divorce orders:

The GEPF is compelled to execute any legal court order regarding the payment of maintenance orders and/or divorce orders. If proper court orders are not received the processing of pension claims may be delayed.

Divorce benefits claimed by an ex-spouse:

A divorce order orders the Fund to pay a portion of the pension benefits of the member to an ex-spouse (third party). A certified copy of the divorce order must be submitted to the Fund. The divorce order must comply with all legal requirements as required in the relevant legislation. If the divorce order does not comply it may lead to delays in the payment processing.

Suspected fraudulent beneficiaries:

This refers to people who claim to be beneficiaries of someone's benefits while that is not the case, e.g. claiming to be a spouse or claiming to be a beneficiary/dependent. If fraud is suspected or reported or contested, the processing of the pension benefit may be halted for the case to be investigated. This takes time due to the investigation which must be completed before the payment processing can continue. This is a significant delay in the process of paying pensions.

Beneficiaries not coming to claim:

Incomplete or incorrect information from beneficiaries leads to delays in the processing of pension benefits particularly upon the death of a member. The GEPF tries to ascertain the lawful beneficiaries but we are not always successful due to inadequate personal information about the beneficiaries. If a family member who works for a government department dies, family members must ask the employer department or GEPF if the member had any benefits due to them.

Court order to stop payment:

All Court orders have to be taken into consideration and adhered to by the GEPF. Any valid court order /interdict that is served on the Fund to stay the processing of a pension payment will be adhered to until the matter is resolved. This is subject to our legal department evaluating the legalities of the court order/s. This can also adversely affect the time the GEPF needs to finalise the payment of benefits.

The GEPF cannot pay the benefits until the member provides written proof on a SARS letterhead that the issues are resolved.

5

Unclaimed Benefits

What are Unclaimed Benefits?

Unclaimed Benefits are those benefits where the member has left the Fund and their reason for leaving as well as their last day of service are known, but the due benefits have not been paid to the member or a beneficiary within 24 months of the last day of service in line with the rules of the Fund.

Why do benefits become unclaimed?

The main reason why benefits become listed as unclaimed are:

- GEPF is unable to get a tax directive from SARS due to the member or beneficiaries' tax affairs not being in order (for example, they are not registered for tax or they have not submitted tax returns, etc.).
- The member's exit documents were not submitted or contain errors that have not been rectified.
- The benefits are paid but are returned to GEPF due to incorrect banking details, or a frozen or closed bank account.
- GEPF does not have enough information in respect of the deceased member's spouse(s) or beneficiaries to enable the beneficiaries to claim their benefits, or to allow for GEPF to pay the benefits to them.

Who can claim Unclaimed Benefits?

The following people are able to apply to claim Unclaimed Benefits, if they suspect that they may have pension benefits due to them:

- Retired GEPF members and members no longer in service;
- Beneficiaries of GEPF members no longer in service or deceased; and
- The guardian of GEPF members' beneficiaries

What must one do to access Unclaimed Benefits?

If the applicant is a member or spouse, the following documents are needed to claim Unclaimed Benefits:

- A completed Banking Details (Z894) form;
- A recent certified copy of the applicants ID; and
- A bank confirmation letter/bank statement.

If the applicant is a beneficiary, the following documents are needed to claim:

- The members death certificate\
- A certified copy of the beneficiary's ID;
- A completed Banking Details (Z894) form;
- A guardian letter in the case of minor beneficiaries;
- A certified copy of the guardian's ID; and
- A bank confirmation letter/bank statement

If the applicant is a deceased estate, the following documents are needed to claim Unclaimed Benefits:

- The appointment letter as executor of the estate;
- The death certificate of the member or beneficiary;
- Certified copies of both the deceased member's ID and the executor of the estate's ID;
- A completed Banking Details (Z894) form with the details of the estate late account; and
- A bank confirmation letter/bank statement of the estate late bank account

Contact the Unclaimed Benefit tracing section if you have any further questions:

Email address: UnclaimedBenefit@gpaa.gov.za

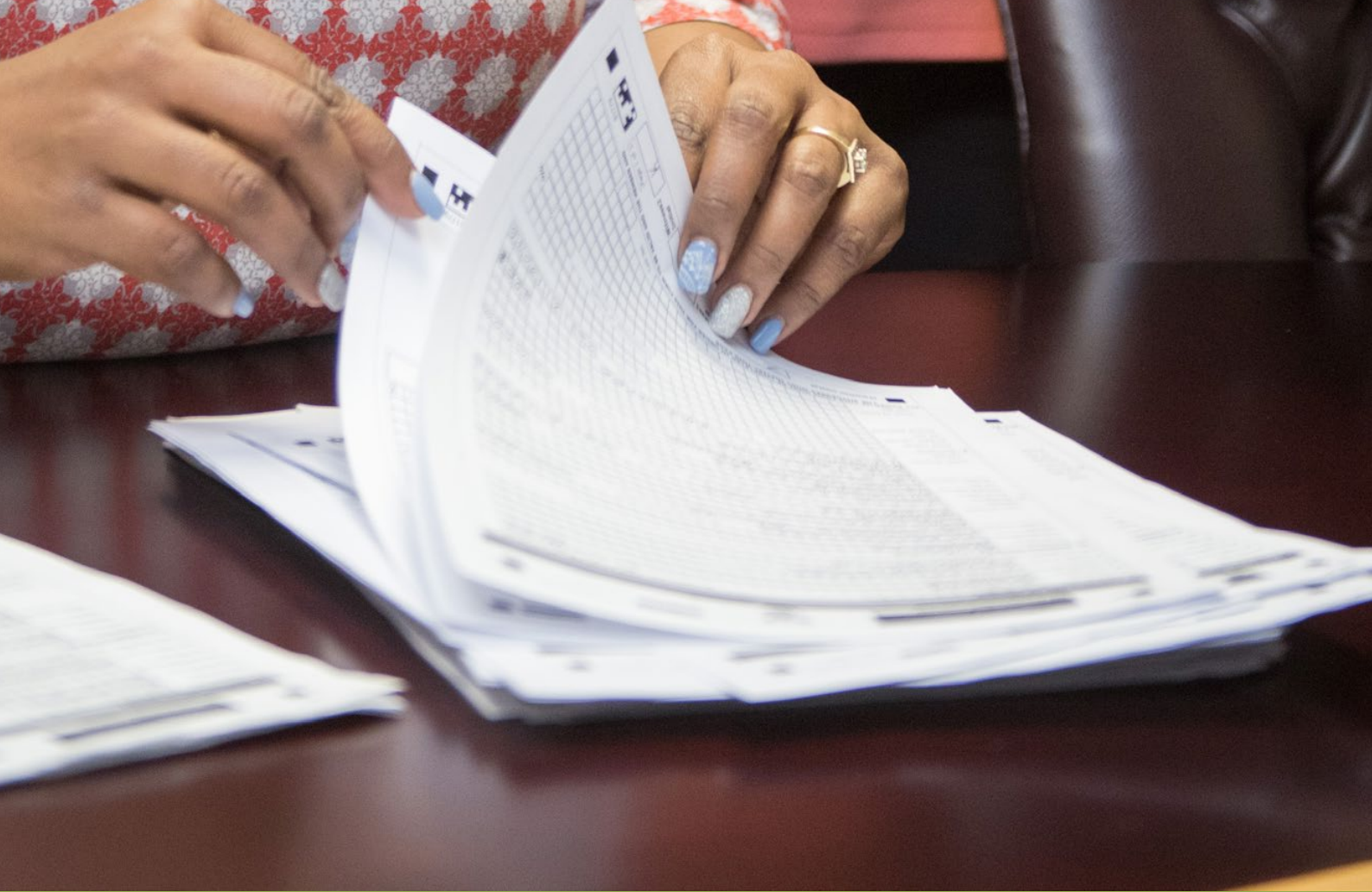
012 399 2464	012 319 3460
012 399 2726	012 399 2519
012 399 2561	012 399 2561
012 319 1286	012 319 1472

Toll free no:0800 117 669

We urge all our members, pensioners and beneficiaries to share this information with anyone they think could be qualifying for unclaimed benefits, e.g. children whose parents passed on without claiming their pension.



6 | Have you submitted your updated Nomination Form?



All you need to do is complete a Nomination of Beneficiaries form (WP1002), listing the details of all your financial dependants and anyone else you want to nominate to share in your benefit as well as the percentage to be applied.

You then hand the form in at your Human Resource Department (along with supporting documentation such as certified ID copies and birth certificates) to give to GEPF. Both the Human Resource Department and GEPF are bound by strict rules of confidentiality and may not tell anyone who your nominees are.

You may amend your Nomination Form if you feel that it is necessary, and you should do this every time your dependants change as a result of birth, death, divorce, etc. A newly completed Nomination Form cancels out the old one.

However, if you do not include all relevant beneficiaries, the GEPF has the right to overrule the Nomination Form, or to include excluded beneficiaries if they meet the requirements of a dependant as determined by the rules. This includes children born out of wedlock. It is thus important to make sure that you list all your dependants first, and only then can you add any other nominees to whom you would like to leave a share of your benefits.

Please note that a will is not a nomination form and cannot be used to choose your beneficiaries.

The member should make sure that they engage their HR departments during the exit process to ensure that a valid Nomination Form is submitted to GEPF.

Frequently Asked Questions



Q. Am I allowed to choose to resign when I reach the age of retirement?

Yes. A member may at his/her prerogative, resign prior to the age of retirement (although it is not recommended). The necessary exit benefit will be paid thereafter.

Q. Is it possible to retire and not get benefits?

It is highly improbable, unless you had a debt owed to your employer department or to GEPF and your whole benefit was paid over to either institution to settle the debt.

Q. Can I change my choice to transfer once a transfer has been made? (Transfer of pension benefit to external Fund)

No, your choice to transfer is an irrevocable choice.

Q. What are the circumstances that could lead to the GEPF overruling WP1002 (Nomination of Beneficiaries form) in case of the death of a member?

If you, as a member, do not include all your relevant beneficiaries, the GEPF has the right not to follow the Nomination Form or to include excluded beneficiaries if they meet the requirement of a lawful dependent as determined by the rules.

Q. Is it true that if members take early retirement they will not be penalised?

No. This is not accurate. Choosing early retirement means reduced benefits. Before you decide to retire early, you need to ask yourself three critical questions:

- Can I afford to retire early, given the reduced benefits?
- Can I maintain my standard of living throughout my retirement?
- Will my surviving spouse be able to meet the financial obligations left behind if I die?

If you retire early, your benefits will also depend on whether you have less or more than 10 years of pensionable service.

There is an employee initiated early retirement, which incurs a penalty of 0.33% per month compounded.

Government also offered an employer initiated early retirement option. Unfortunately the employer initiated option closed on 30 September in 2019.

Some employers do offer an employer initiated early retirement but it is rare. If the early retirement is employer initiated then member will not be penalised because the Employer will bear the additional liability to the Fund.

Frequently Asked Questions

Q. Is it possible to retire and not get benefits?

This is highly improbable. The only time you will not receive your benefits is if the GEPF has not been notified about your retirement, or if your documents are incorrectly completed or missing information. However, GEPF tries very hard to work hand-in-hand with employer departments to correct any inaccuracies and to attain any missing information from members' documents. This is the reason GEPF strongly encourages members to notify employers of their intention to retire six months before exiting the public service. The six-month period allows opportunity to correct any inaccuracies on documents. When inaccuracies are corrected on time, benefits can be paid at the right time.

Q. Is it true that children over the age of 20 years who are nominated as beneficiaries do not get their benefits?

No, this is not true. Any person/s nominated on the Nomination of Beneficiaries form (WP1002) will be

considered in the payment of benefits irrespective of their age. There is no age restriction on people who can be nominated as beneficiaries.

What are the implications on spouse pension when one remarries?

There are no implications on the spouse pension if you remarry. GEPF will continue paying your spouse pension benefit.

Where and how can I access a Nomination of Beneficiaries form?

You can obtain the Nomination of Beneficiaries form (WP1002) from your Human Resource Management section, your nearest GEPF office, or on the GEPF website (www.gepf.co.za)

UNCLAIMED PENSION

Do you know of any public servant who did not claim his or her GEPF pension?

Are you a dependent of a deceased person who worked for government and contributed to the GEPF and their GEPF pension was not claimed?

Are you a former government employee and you have not claimed your GEPF pension?

Taking care of you today for a better future.



CHILD'S PENSION.



The **Child's pension** is available to a child whose parent or guardian was a GEPF member or pensioner. The benefit only applies if the parent or guardian or pensioner is deceased from the 1st of June 2018.

BENEFITS

- The **Child's pension** is payable to a child up to the age of 22 years.
- Disabled children are entitled to receive a Child's pension beyond the age of 22 years, subject to approval by the **GEPF**.

WHAT THE APPLICANT MUST SUBMIT

A certified copy of the deceased ID (certified within the last 6 months)

- A banking details form (Z894)
- A certified copy of the death certificate
- A certified copy of your ID and confirmation of death by the Department of Home Affairs.

Securing their future.



Do you know where to find us?

GEPF has a national toll free Call Centre number, **0800 117 669**.
Calls to this number are free from any Telkom line.
We also have regional Client Service Centres in all nine provinces of South Africa.

Contact Details

Toll free number: **0800 117 669**

Email: enquiries@gepf.co.za

Website: www.gepf.co.za

Postal address:
GEPF Private Bag X63
Pretoria
0001

Twitter: @GEPF_SA

Client Service Centres

Eastern Cape

No. 12 Global Life Centre,
Circular Drive, Bhisho

Free State

Brandwag Centre, 20 Stapelberg Street
Brandwag, Bloemfontein

Gauteng

Trevenna Campus, Building 2A,
Corner Meintjies and Francis Baard
Streets,

Sunnyside, Pretoria

Kwa-Zulu Natal

Brasfort House, 3rd Floor,
262 Langalibalele Street,
Pietermaritzburg

Limpopo

87 (a) Bok Street,
Polokwane

Mpumalanga

Imbizo Place, Shop no 5,
Samora Machel Street, Mbombela

North West

Mega City, Entrance 4,
Ground floor, Office no 4/17,
Mmabatho, Mahikeng

Northern Cape

11 Old Main Road, Kimberley

Western Cape

No 1 Thibault Square,
Standard Bank Building, 21st Floor,
Long Street, Cape Town

Satellite Offices

Durban

Salmon Grove Chambers, 12th Floor,
407 Anton Lembede Street

Johannesburg

UCB House, 2nd Floor,
78 - 74 Marshall Street, Marshalltown

Thohoyandou

2010 Centre,
next to Phalaphala FM (SABC)

Mthatha

Manpower Building, Ground Floor,
Corner Elliot & Madeira streets,

Phuthaditjhaba

Mandela Park Shopping Centre,
712 Public Road

Port Elizabeth

Sivuyile Mini-Square,
Kwantu Towers, Ground
Floor, Next to City Hall

Rustenburg

149 Leyds Street

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