



SENTINEL
Retirement Fund

Death of Member
Brochure

May 2014

YOU ARE BEING TAKEN CARE OF FINANCIALLY

Death in a family is always traumatic but knowing that those left behind are cared for financially, provides some degree of consolation. The Sentinel death benefit provides beneficiaries of the deceased member financial support when they need it most.

DEATH BENEFIT FOR MEMBERS IN SERVICE

Where a member dies whilst still in the service of a participating employer, the spouse (s) of the member will receive a lifelong monthly spouse pension from the Fund based on 50% of the total Death Benefit amount. The balance is distributed in accordance with the provisions of Section 37C of the Pension Funds Act (see below) as a lump sum. If there is no spouse, the total benefit is payable in accordance with the provisions of Section 37C of the Pension Funds Act. The Trustees have sole discretion regarding how the Section 37C portion of the benefit is allocated. This is dependent on the socio-economic circumstances of the deceased member's dependants and nominees.

The spouse (s) of a deceased member has the option to convert his/her share of the lump sum benefit into an additional monthly pension.

SPOUSE

The Fund defines a spouse as the person:

- To whom the member was legally married; or
- With whom the member was married in customary union; or
- With whom the member was living in union recognised as a marriage under any religion; or
- With whom the member was (in the absolute discretion of the Trustees) in a relationship intended to be permanent and involving cohabitation, provided the member wholly or partially financially supported such person.

Documentary evidence must be submitted as proof of marriage, customary union or cohabitation. Three affidavits must be submitted with the application form confirming the existence of a relationship intended to be permanent and involving cohabitation, provided that the member wholly or partially financially supported such partner.

Benefits applicable to a spouse will only be payable to the person who qualified as a spouse at date of death of the deceased. The Trustees also allow a benefit to be distributed equitably among multiple spouses.

PAYMENT OF LUMP SUM DEATH BENEFITS

The Fund must comply with legislation and the Fund Rules when awarding death benefits, particularly Section 37C of the Pension Funds Act which states that a death benefit does not form part of the deceased estate, and must be allocated, at Trustee discretion, among dependants or dependants and nominated beneficiaries. If no dependants exist it must be allocated among nominated beneficiaries.



SECTION 37C OF THE PENSION FUNDS ACT

Section 37C of the Pension Funds Act stipulates that the Fund must establish who qualifies as dependants and nominated beneficiaries. The Fund should take relevant socio-economic circumstances into account to divide the benefit fairly and equitably, which among others include the following factors:

- The ages of the beneficiaries;
- Their relationship to the deceased;
- The extent of their dependency on the deceased;
- The financial circumstances of the beneficiaries;
- The future earnings potential and prospects of the beneficiaries; and
- The amount available for distribution.

The Act also stipulates that payment, depending on circumstances, may take up to 12 months to finalise after the date of death. The Trustees have sole discretion to decide which beneficiaries will receive the benefit, and what portion will be allocated to each of them. The late member's last valid Nomination Form, **in possession of the Fund prior to date of death**, will be used as an indication of wish, but is not binding on the Fund.

As the above procedure can be complicated and time-consuming, it is vital that all required documents and relevant information are included with the application form for death benefits. Failure to provide this can seriously hamper the timeous processing of a death benefit and may even lead to civil proceedings against the party concerned.

BENEFICIARIES

The Trustees have defined the different beneficiaries specifically to ensure payment of death benefits in compliance with the Fund's Rules and the Pension Funds Act. The onus is on persons claiming a benefit to prove that they are eligible for such benefit. The following are possible dependants:

- **Spouse (s)**

This includes a spouse by civil marriage, customary union or a union recognized as a marriage under the tenets of any Asiatic religion. Proof of the marriage or union must be provided.

- **Biological minor child**

This is the members own children who are younger than 18. Birth certificates must be provided to claim a benefit.

- **Biological major child (18 years and older)**

The definition of dependant is not limited to children younger than 18. Major children can either apply for a portion of the death benefit or they can waive their right to a portion of the benefit by completing the benefit waiver form. A major child must provide the Fund with a detailed motivation and proof of financial dependency on the deceased member. This must accompany the application form if he/she decides to apply for a benefit, together with a completed income and expenditure form.

- **Adopted child**

Adoption papers must be submitted to the Fund for both minor and major legally adopted children with the application form.

- **Foster child or stepchild**

If a member is survived by foster or stepchildren who were factually dependent (see below) on the member at date of death, three affidavits must be submitted with the application form that explain the extent and duration of the dependency on the late member.

- **Illegitimate child**

If the deceased and the biological mother of their child were not married, three affidavits must be submitted of which one must be the mother confirming paternity of the deceased to the illegitimate child and at least one from the deceased's family, together with the full birth certificate stating both parents' names.

- **Posthumous child**

If a member dies and leaves an unborn child, this child qualifies as a dependant upon his/her birth. If the deceased and the biological mother were not married, three affidavits must be submitted of which one by the mother confirming paternity of the deceased to the posthumous child and at least one from the deceased's family. Once the child has been born a birth certificate must be sent to the Fund.

- **Legal dependant**

This is any person whom the late member was required to maintain. Aside from spouses and minor children, this includes a former spouse, whom the late member was obliged to maintain, even if he was not complying with this obligation.

All relevant legal documentation relating to the marriage or maintenance must be submitted with the application form, such as the marriage certificate or divorce order and agreement, or maintenance order.

- **Factual dependant**

This is effectively a person whom the deceased voluntarily maintained (supported financially) at date of death and who was dependent on such maintenance. This could include a life partner, a parent, other family members or other persons.

Maintenance for these purposes implies regular and substantial financial support without which the claimant could not maintain a certain lifestyle.

The Trustees have the discretion to decide if a claimant qualifies. Where physical evidence is not available, three affidavits must be submitted with the application form stating the extent and the period of dependency. At least one of the affidavits should be from the deceased's family.

- **Future legal dependant**

This is any person who would have become dependent on the late member had he/she not died. The most obvious example is a person who would have married the late member had he/she not died. There may, however, be other persons that could qualify.

Three affidavits must be submitted with the application form, of which one must be from the deceased's family, as well as any other evidence necessary or available to substantiate such a claim.

OTHER POSSIBLE BENEFICIARIES

- **Nominees**

Any non-dependent person qualifies as a nominee, as long as the deceased had nominated this person on a valid Nomination Form in the possession of the Fund at date of death. If the member leaves only nominees and no dependants, the benefit is only payable after a 12-month waiting period.

The Fund will generally accept a nomination that appears valid on face value. Where the Fund has reasonable doubt with regard to the validity thereof, the onus will be on the claimant to prove validity. Where other disputes arise, circumstances will be used as guidance as to what is valid.

- **Estate**

Where the deceased's estate is insolvent, and only nominees survive the member, the executor of the estate must apply for a portion of the death benefit to bring the estate to solvency.

If the late member had no dependants or nominees, the death benefit is payable to the estate after a 12-month waiting period.

- **Guardian's Fund**

Payments of death benefits to the Guardian's Fund can only be considered and awarded where the Fund is unaware of any dependants or nominees, and have written confirmation from the Master of the Supreme Court that no inventory has been registered with a Master's Office.

INTEREST

The death benefit will earn interest from the day after calculation of the claim to date of payment. This interest will be added to every portion of the death benefit awarded to beneficiaries. A payment letter will be sent to each beneficiary, including a breakdown of interest paid if any.

TAX

Tax will be deducted from a death benefit before any payment is made in accordance with the Income Tax Act.

HOW TO APPLY

You must apply for a death benefit by completing and submitting the relevant application form, and all required documents, before the Fund will proceed with the processing of the benefit.

The following documents must accompany your application for a death benefit:

1. A copy of the deceased's identity document, or birth certificate, or passport, clearly reflecting the photo, and for passports, clearly reflecting the expiry date. *
2. An original or certified copy of the deceased's death certificate. *

3. A copy of the deceased's marriage certificate (if applicable). *
4. A copy of your identity document, or birth certificate, or passport, clearly displaying the photo and, for a passport, clearly reflecting the expiry date.
5. Copies of minor children's birth certificates or identity documents (if applicable).
6. Copy of termination letter from employer.
7. Certified copies of any divorce orders and divorce agreements (all divorces of late member). *
8. A certified letter of executorship (if applicable). *
9. A copy of the deceased's last will and testament. *
10. A letter of solvency of the estate from the executor of the estate (if applicable). *
11. A copy of both sides of the deceased's medical aid card. *
12. Income and expenditure statement by each claimant (if applicable).
13. Three affidavits for dependency (if applicable).
14. Proof of customary law union or union under Asiatic religion/marriage (if applicable). *
15. Proof of lobola paid (if applicable) per customary partner.
16. Foreign exchange questionnaire for persons living overseas (if applicable).
17. Letter of power of attorney (if applicable).
18. Copy of any adoption orders (if applicable). *
19. Major child waiver form (if applicable).

- ***Only one copy of each is required by the Fund. Can be submitted by the spouse or one of the beneficiaries.***

Please submit your completed and signed application form, and required documents, to:

The Manager
Sentinel Retirement Fund
P O Box 61172
Marshalltown
2107

You can also hand deliver all documents to any of the Sentinel Client Service Centres

CONTACT DETAILS

ELECTRONIC

Tel : (011) 481-8000

Fax : (011) 481-8111

E-mail: info@sentinel.za.com

Website: www.sentinel.za.com

POSTAL ADDRESS

The Manager

Sentinel Retirement Fund

P O Box 61172

Marshalltown

2107

KLERKSDORP

54 Buffeldoring Street

Wilkoppies

Klerksdorp

Tel : (018)468-7309

JOHANNESBURG

Sentinel House

1 Sunnyside Drive

Sunnyside Office Park

Parktown

Johannesburg, 2193

WELKOM

Shop 24 The Strip

314 Stateway Street

Welkom

Tel: (057) 352-2905

WITBANK

WCMAS Building

Corner OR Tambo and Susanna Streets

Emalaheni (Witbank)

Tel: (013) 656-4214

CARLETONVILLE

S Buys Office Park

Shop 10

Corner Kaolin & Radium Streets

Carletonville

Tel: (018) 786-1118

