



SENTINEL
Retirement Fund

Withdrawal Benefit
Brochure

May 2014

THE WITHDRAWAL BENEFIT

Many people are tempted to use their withdrawal benefit from the Fund when they change jobs. It is, however, **critical** that you plan now for your financial independence at retirement. Before using your retirement savings prior to retirement, speak to a professional financial advisor to find out more about available options to invest your retirement savings responsibly.

You are entitled to a withdrawal benefit when you resign, are retrenched or get dismissed from your employer.

Members who qualify for early retirement may claim a withdrawal benefit up to one day before Normal Retirement Age as defined in the Rules. Your withdrawal application form must reach the Fund before your normal retirement date. Your total Fund Credit will be paid less tax after your discharge date. Your Risk Benefit Cover (death and disability) will cease on the date of your discharge.

NOTE: You have the option to select an early retirement benefit if you are older than 50 years and within 10 years from Normal Retirement Age as defined in the Rules.

If you qualify for an **early retirement benefit but still elect a withdrawal benefit, you forfeit the benefit of receiving a lifelong pension from the Fund.**

PAYMENT OPTIONS

When you leave the service of your employer, the employer will notify the Fund that you have left service via the monthly employer contribution return. The Fund will then disinvest your capital and this capital will be moved into a low risk Money Market type portfolio. You have 24 months (Interim Membership period) in which to decide what to do with your retirement savings. Whilst you are an Interim Member, you are allowed to exercise Member Investment Choice options.

The following options are available when you leave the service of your employer:

- You can retire if you qualify for this benefit. To qualify for an early retirement benefit, you must be within ten years of your Normal Retirement Age and be over the age of 50.
- You may continue your membership of the Fund as a non-contributory member until you join another participating employer, or until you retire, or until your death before retirement age. This option provides a cost effective mechanism to preserve your retirement savings! (Please submit an Election to Defer Benefit form if selecting this).
- You may transfer your retirement savings to another approved pension retirement fund free of tax. Transfers to an approved provident fund are taxable. The transfer option is attractive if you want to join your new employer's pension fund to consolidate your retirement savings in a single fund.
- You may withdraw your retirement savings in cash. Be aware that this option will result in the full benefit being taxed and may destroy your ability to sufficiently provide for your retirement years.

If you are going to leave your employer, please contact the Fund for assistance and advice and make sure that you exercise an option within 24 months after leaving your employer.

All transfers and cash withdrawals can only be made after your final contributions have been received from your last employer.

TAXATION

Option	Tax treatment	Tax-free portion
Cash withdrawal due to resignation or dismissal	Taxable	R25 000
Cash withdrawal due to retrenchment	Taxable	R500 000
Partial transfer due to resignation or dismissal	Taxable	R25 000 plus the amount transferred to another approved pension fund
Partial transfer due retrenchment	Taxable	R500 000 plus the amount transferred to another approved pension fund
Transfer to an approved pension fund	Tax-free	Amount transferred
Transfer to an approved provident fund	Taxable	Treated as a cash withdrawal
Transfer to an approved preservation pension fund	Tax-free	Amount transferred
Transfer to an approved preservation provident fund	Not Allowed	Regulated by tax legislation
Transfer to an approved retirement annuity fund	Tax-free	Amount transferred

Please Note: You are advised to consult your local South African Revenue Service office for information about tax provisions.

INTEREST PAYABLE

Your Fund Credit will be disinvested from your investment portfolio within 5 days after discharge date or date of the Fund being notified in writing that you have left service of your employer (documentary proof required i.e. letter from your last employer) into a Money Market account that will protect your capital against market volatility. Alternatively, the notification via your last employer's contribution return will be taken as notification.

UNCLAIMED BENEFITS

You must claim or defer your benefit within 24 months after the benefit becomes due. Failing to do this, your benefit will become "Unclaimed".

HOW TO APPLY

You must apply for a withdrawal benefit by completing and submitting the applicable application form before the Fund can proceed with the processing of your claim.

The following documents MUST accompany your application form for a withdrawal benefit:

1. A copy of your identity document, or birth certificate, or passport, clearly displaying your photo, and with a passport, the passport expiry date must be clearly visible.

2. Should you wish to transfer your benefit in full or in part to an approved pension fund, Sentinel requires an official transfer letter from the institution or letterhead form broker containing the following information:
 - Be addressed to Sentinel Retirement Fund
 - Member names and surname
 - Member identity number and industry number if applicable
 - Amount to be transferred
 - Full name of the approved fund being transferred to
 - SARS and FSB registration numbers of the fund being transferred to
 - Financial advisor or intermediary names and contact details
 - Full banking details of the fund / institution being transferred to
3. A foreign exchange questionnaire (if you are residing outside the borders of South Africa).
4. Proof of termination of employment, stating reason for termination.

Please submit your completed and signed withdrawal benefit application form with ALL required supporting documentation to:

The Manager

Sentinel Retirement Fund

P O Box 61172

Marshalltown

2107

These documents can also be hand delivered to any one of the Sentinel Client Service Centers.

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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



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