

# fundtalk

4<sup>th</sup> Edition 2022

The quarterly newsletter for members of the Government Employees Pension Fund



Does GEPF allow members to access benefits before retirement?



Who qualifies for a Funeral Benefit and how to claim it?



Unpacking some concepts for you

## Understanding benefits due to your beneficiaries if you die while in service

*Many members are concerned about what will happen to their GEPF pension benefits if they die while still working in the public service. Fund Talk unpacks this issue below to empower our members and respond to some of the common concerns.*



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## When are death benefits paid?

Death benefits are paid when a member dies while they still work in the public service, or within five years of retirement. However, for this purpose, we will only focus on members who passed on while in service. In this context, the death benefits will include a gratuity (lump sum), a Spouse Pension (if applicable), and the Funeral Benefit.

If your spouse was a dependent on your medical aid, they will also be entitled to the Medical Benefit. If you pass away before your 50th birthday and had more than 15 years in public service, your spouse will qualify for a monthly subsidy. However, your spouse will have to continue as the principal member of the medical scheme to qualify for the subsidy. You will be entitled to the subsidy, from the month that follows your late spouse's 50th birthday. If, however you had less than 15 years of government service, a gratuity (once-off payment) will be paid to your surviving spouse. In this case, the benefits will vary depending on the years of government service you had before you passed away. The once off payment benefit is taxable.

## Here is what will happen if you die and have LESS than 10 years of pensionable service

We will pay a once-off lump sum (death in service gratuity) to your beneficiaries or to your estate in case you have no beneficiaries. The amount of the gratuity will be calculated as per the formula set out in the rules of the GEPP. A monthly spouse pension may be payable to your lawful spouse if your pensionable service and unexpired period of service was at least 10 years at the time of your death.

## What happens if you die with MORE than 10 years of pensionable service?

In this case, the benefit is two-fold: Firstly, we will pay a once-off lump sum (death-in-service gratuity) to your beneficiaries or to your estate in case you do not have beneficiaries. The gratuity may be distributed amongst your beneficiaries according to your Nomination Form or distributed amongst your lawful beneficiaries based on, amongst other, their dependency. In addition, your lawful spouse will receive a monthly spouse pension.



# Does GEPF allow members to access benefits before retirement?

Discussions about having premature access to retirement savings have recently dominated the news headlines of both print and electronic media in the country.

The outbreak of the Covid-19 pandemic in 2019 and the subsequent hard lockdown worsened the ailing economic situation of South Africa. Because of this, many people have lost their jobs and most households find it difficult to make ends meet.

To alleviate these economic hardships, a debate around accessing retirement savings to cushion the economic hardships was necessary. Government has confirmed that it was giving the proposal a consideration to

allow limited pre-retirement withdrawals from retirement funds under certain conditions. In addition, it has taken a step further to engage with trade unions, retirement funds, regulators, and other stakeholders to discuss the possibility of limited access to retirement savings. However, government is clear that should it allow pre-retirement withdrawals from retirement funds, they will be allowed only under conditions that do not create liquidity and investment risks.

GEPF members are not allowed to make pre-retirement or premature withdrawals because the Fund is not regulated under Pension Fund Act. The Fund is regulated under GEP Law of 1996, which does not have provision for early withdrawals.

# I am nearing retirement, what benefits will I lose if I resign and cash out my pension?



As a GEPF member, you can exit the Fund by transferring your pension benefits to an approved pension fund or into your account (resignation) or by staying in your job until you reach retirement age, (retiring with GEPF as our pensioner).

If you choose to resign, your relationship with GEPF will end. In this case, GEPF will pay your resignation benefit into your

selected option (personal account or transfer to an approved pension fund) and you will forfeit all benefits that come with retiring with GEPF. You will no longer qualify for the Funeral Benefit for yourself, your children, and your spouse, or for the Post-Retirement Medical benefits that is provided by government.

Should you pass on, your spouse will not receive the Spouse Pension, which is guaranteed until they pass on for those who retire with GEPF. Your children under the age of 22 years will no longer qualify for Child's Pension. You

will further forfeit your monthly pension, which is guaranteed for as long as you live, for those who retire with GEPF.

While cashing out your pension will allow you to immediately have access to your money and use it as you wish, it does not guarantee that the money will sustain you for the rest of your life. If you retire with GEPF, you are guaranteed to have a monthly pension for the rest of your life. We encourage our members to secure their future and that of their families by retiring with GEPF!

# Who qualifies for a Funeral Benefit and how to claim it?



## Persons covered by the GEPF funeral benefit

Our Funeral Benefit is one of the benefits that come along with being a GEPF member. As a contributing member to the Fund, you automatically qualify for the benefit upon your death and that of your lawful spouse, approved

life partner or your eligible children (dependants). The benefit comes as a cash lump sum amounting to **R15 000** for you, your lawful spouse or approved life partner and it is **R6 000** for your eligible child.

## Forms and documents required

To claim the funeral benefit when your lawful spouse, approved life partner or eligible child has died, you will need to complete and submit certain forms and documents to us so that we can pay the relevant amount to you. Your spouse or eligible person will have to do the same upon your (GEPF member) death. The forms and documents are:

- The Funeral Benefit Claim form (**Z300 form**) obtained from your Human Resource department and GEPF website or nearest office,
- A banking details form (Z894) if the payment will be made through a bank account,
- Your certified ID copy or valid passport and that of the deceased,
- A certified copy of the death certificate, and
- Proof of marriage where applicable.

Faxed documents and receiving payout via the Post Office

If the above documents are submitted to us through fax (**012 319 3655**), a bank statement of the last

three months before the date of submitting the claim should accompany the **Z894 form**. If the claimant wants to collect the money at the Post Office, they will need to present the post office with copies of all original documents that they would have faxed or emailed (funeralclaims@gepf.co.za to the GEPF.

## Additional documents required in case of a child's death

If your eligible child dies, you will need to submit the following additional documents to the above listed ones in order to receive your benefit:

- A certified copy of the child's birth certificate,
- Medical proof of disability if the child was over **18 years** of age and disabled,
- Proof of student registration if the child was over **18 years** of age and a full-time student at a government-recognized educational institution, and
- Medical proof from the hospital or doctor if the child died in a miscarriage after **26 weeks** or more of pregnancy. The proof could be a letter confirming the age, cause of death, date and place of death.

## An eligible child

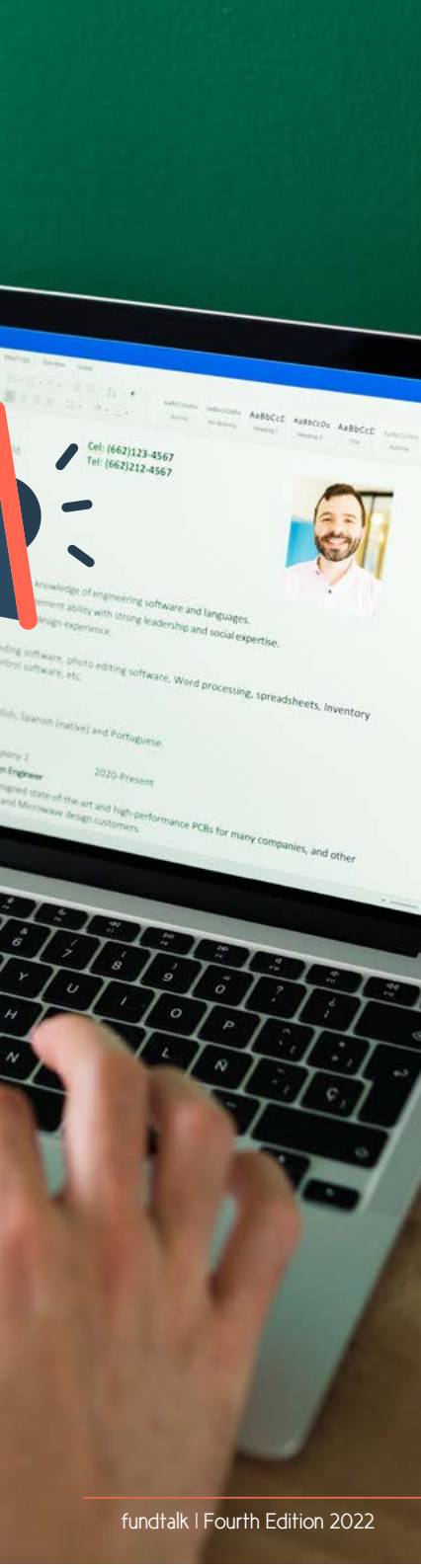
For the GEPF to make payment for the death of your child, the deceased child should be eligible for the benefit. An eligible child is:

- Your natural or legally adopted child below the age of **18 years**.
- Your natural or legally adopted child between **18 – 22 years** of age who is a full-time student at a government-recognized educational institution.
- Your natural or legally adopted child who is physically disabled and dependent on parents.
- Your stillborn child born after **26 weeks** of pregnancy showing no signs of life and died of natural causes. We do not pay for an abortion.

Where both parents of the deceased child are GEPF members, each parent can submit their own claim to access the benefit separately. If both spouses are GEPF members and one of them dies, a claim on behalf of the deceased will need to be submitted by the surviving spouse. The surviving spouse will also submit his or her own claim separately. Beneficiaries claiming the Funeral benefit on behalf of a deceased member will have to produce proof of relations to the deceased.

# Can I update my address without visiting GEPF offices?





*You do not have to leave your house and go to the GEPF offices to change your address or any personal information. With the GEPF Self-Service and APP, you can update your address from the comfort of your home. Register on the GEPF App and Self Service and enjoy instant contact with GEPF*

To register on the GEPF Self-Service and App you will need your ID or passport number, valid email address and a cellphone number that is recorded on the GEPF system. With the GEPF Self-Service and App, you can interact with the Fund from anywhere, anytime. The App further allows you to access the following services:

- update your personal information
- download Proof of payment
- download your Tax certificates (IRP5 & IT3a)
- trace benefit claims
- update address information
- nominate and update a nomination of beneficiaries form (WP1002)
- get letters and newsletters, and latest notices from GEPF

Save yourself a trip to GEPF offices, register on the Self-Service web and App and change your address and other personal details. Download and register on the GEPF Self-Service and APP and have peace of mind. With this service, it is easier to interact with GEPF. Should you experience any challenges while registering, do not hesitate to contact our Self-Service agents on 012 319 1400 or email [selfservicesupport@gpaa.gov.za](mailto:selfservicesupport@gpaa.gov.za) for assistance.

Visit [gepf.co.za](http://gepf.co.za) to access self-service or download the App on Google Play Store, Apple App Store or Huawei App Gallery, and register to access various GEPF services.





## Is it true that when you get an award as an educator, your pensionable service increases by a year?

# A

*It is not true that educators belonging to the Government Employees Pension Fund (GEPF) have their pensionable service increased when they receive merit awards for excellent service. In recent times, especially with the influx of social media platforms, fake news and misinformation have been on the increase, creating challenges for many institutions, including the GEPF.*

Members should not believe everything they read in the social media. It is important to verify with relevant authorities (GEPF in this case) before you take a step on any information received. The GEPF is concerned about the rise in inaccurate and misleading statements that are circulated in the public domain regarding members' benefits and the services we provide. We urge members to use reliable and verifiable sources such as the GEPF website, official newsletters or by contacting the Call Centre to obtain information and updates.



# Unpacking some concepts for you

1

## *What is pensionable service?*

Pensionable service refers to the period that an employee was an active member of the GEPF and was, together with the employer, paying monthly contributions to the GEPF.

2

## *When does pensionable service start?*

A member's pensionable service starts from the day they are admitted to the GEPF as a member and start paying monthly pension contributions up until the day they stop working. Pensionable service covers the period in which an employee is an active and contributing member of the GEPF.

Sometimes, the date on which an employee started working (employment date) and the date on which they joined GEPF (contribution date) may differ. This could happen, for instance, if an employee started out working on a contract basis (during which time they were not admitted as a member of the GEPF and therefore were not contributing) and later became a permanent employee, admitted to the GEPF and making monthly pension contributions

3

### *How can members increase their pensionable service?*

Members may choose to increase their pensionable service by making additional payments over and above their normal monthly contributions. This is called "purchase of service". GEPF allows members to increase their pension benefits by purchasing additional years of service.

A member must ask for a quotation for the period of service they want to purchase. The additional service is only recognised as pensionable service once the member has paid the amount due to purchase the service.

4

### *When are members eligible to receive benefits?*

Members are entitled to receive benefits in the event they resign, are discharged from public service (either due to ill-health, being dismissed or retrenched from employment), or when going on retirement. In addition, the GEPF also disburses benefits to lawful beneficiaries when a member (in service) or pensioner (within five years after retirement) passes on.

5

### *How are benefits determined?*

The value of members' benefits are calculated as per the formula set out in the rules of the GEPF and is mainly based on the period of pensionable service, the final salary (as defined) and the age at which they exit public service. The purchased period (where applicable) is considered when these calculations are made, e.g., if a member's pensionable service period is 18 years and they have also purchased two years of service, their benefits will be calculated as twenty years.

6

### *Who can help calculate the value of benefits?*

Should you require assistance in determining the value of benefits, contact your respective Human Resources Department. Alternatively, you can make use of the benefits calculator on the website at [www.gepf.co.za](http://www.gepf.co.za).

You can also contact the Call Centre on **0800 117 669** or visit the nearest GEPF office in your area.

# 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](mailto:enquiries@gepf.co.za)  
Website: [www.gepf.co.za](http://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, 3<sup>rd</sup> 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

Buitengracht Centre, 4<sup>th</sup> Floor  
125 Buitengracht Street  
Cape Town

## Satellite Offices

### Durban

Salmon Grove Chambers, 12<sup>th</sup> Floor,  
407 Anton Lembede Street

### Johannesburg

UCB House, 2<sup>nd</sup> 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

### Gqeberha (Formerly Port Elizabeth)

1<sup>st</sup> Floor, Regus House  
Fairview Office Park, 66 Ring Road  
Greenacres

### Rustenburg

149 Leyds Street

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