



ACCESSING HOUSING
FINANCE
PAGE 2



GOOD NEWS TO GEPF
MEMBERS.
PAGE 4



LOANS ARE NOT ALLOWED
PAGE 5



Dear Members

A belated welcome to 2018 and the best wishes for you for the year. The start of a year is always a special time as it symbolises new beginnings and challenges.

At the GEPF, the beginning of a new year symbolises an opportunity for us to increase our efforts in striving to provide better services to our members and pensioners and to continue to protect their benefits.

As your Pension Fund we will continue to act in members and pensioners' best interests in seeking financial returns while taking into account broader economic developments in our investment decisions.

The year ahead is likely to have its challenges; however I believe that with the support of the governance structures of the GEPF and we will rise above them.

I thank our members, pensioners, GEPF board of Trustee, Executives and staff for the continuous support and I hope this year will not be different. I look forward to a rich and rewarding year ahead.

Thank you.

Yours Sincerely,

Abel Sithole - Principal Executive Officer (PEO)



Accessing Housing Finance – brought to you by GEPF in partnership with SA Home Loan



Home ownership is one of the biggest financial investments you are likely to make – and more importantly – the best investment you can make for the dignity, security and comfort of your family.

The GEPF has partnered with SA Home Loans to make home ownership a reality for more GEPF members. Of importance and beneficial to members is that SA Home Loans has adjusted the qualification requirements for home loans so as to enable more members to qualify, while ensuring that every approved home loan is affordable in terms of the law.

Owning your own home is reality that many in our country still need to attain. The process can often be frustrating with many legal requirements and lots of documentation, which can be especially confusing to first-time home buyers. It is hoped that this partnership between the GEPF and SA Home Loans would make the process of owning a home for our members a simpler and less stressful experience.

We will publish a series of articles in this newsletter during 2018 to equip members with information that will make home finance more accessible.

What is the first step in obtaining Home Loan Finance?

The first step is to speak to a home loan provider, like SA Home Loans, who can provide a consultation to determine how much you can afford and explain the home loan application process in detail. The consultation with the home loan provider is not difficult. All that is required is to share all the relevant information to ensure that the consultant can help you determine the best option for your circumstances.

What type of information is required to apply for home finance?

The following supporting documents are needed from the applicants who are applying for the home loan:

- o Proof of income or pay slips
- o Copy of identity documents
- o Bank statements for the last 3 months
- o If you are married, a copy of your marriage certificate or an ante nuptial contract will be required.
- o A copy of the Offer to Purchase, which is the agreement showing which property you are buying, who you are buying it from and the cost thereof.

- o If you want to make improvements to an existing property, the documents of title will be required, as well as details of the planned improvements and the estimated costs.

Now that you have provided all the information – what happens next?

The information collected is used to complete the application form. The information you have provided is verified and a credit assessment is done. The credit assessment looks at your income and expenses, your credit profile and credit history to ensure that you are able to afford the home loan repayments and have a good track record of paying your debts. (Note: credit profiles will be covered in more detail in future newsletters, so look out for those in upcoming issues!)

If the credit assessment is successful, you'll receive a formal quotation for the loan. This will provide all the details about the loan such as the loan amount, the conditions of the loan and the interest rate. You will then be asked to sign an acceptance of this quotation. Once this is done, you have officially secured home finance.

This may sound like a long process, but SA Home Loans is adhering to make this process simpler. SA Home Loans offers two special home loan packages, exclusively to government employees. These are:

- A Mortgage loan of up to 100% for new homes or you can switch your existing bond to get the benefits of this package, or
- Their Housing Access Loan allows you to buy, build or improve a home on communal or family land which cannot be bonded.

For more information, contact SA Home Loans on 0860 246 810 or visit www.sahomeloans.com and SA Home Loans will assist and guide you through the process of getting the finance option that is most suitable for you.

For more information, contact SA Home Loans on 0860 2 4 6 8 10 or www.sahomeloans.com and we will assist and guide you through the process of getting the finance option that is suitable for you.

GEPF was formed in 1996, what happens to contributions made prior 1996?

Many a time former members of the now defunct homeland system have indicated a concern that they may have lost their contributions when the Government Employees Pension Fund (GEPF) was established. The GEPF would like to reassure those affected that if their benefits were transferred with accurate member records, then their money is safe with the GEPF. Contributions made prior to 1996 are part of your benefits. There is no need to panic and pay anybody who claims that they can assist to trace your lost record. Nothing has been lost. If in doubt, please visit your nearest GEPF office for assistance.

The GEPF was formed in 1996 when all government pension funds were merged to form one entity. However, certain employees were given an option to either claim their pensions or transfer their pensions to the new GEPF. The majority of government employees did not cash-in their pension funds.

Members who opted to claim their pensions were automatically starting on a new pensionable service record with the GEPF. For those



who decided to transfer to the GEPF, their period of service from the previous pension fund was linked and has continued up to now.

The GEPF is expected on an annual basis to post benefit statements to members. The purpose of this benefit statement is to ensure that the information populated in the statement corresponds with the member's expectations regarding their benefits. Likewise, if there is a discrepancy, members are urged to consult their Human Resource unit urgently.

Good news to GEPF members



Following engagements at roadshows throughout the country, as well as requests from members, the GEPF Board of Trustees has listened to members' requests and has implemented the following with effect from 1 October 2017:

Increase of Funeral benefits.

The main aim of increasing Funeral benefits is to ensure that the benefits keep up with inflation over time. To this end, the Funeral benefits have been adjusted as follows;

- a) R7500 to R15000 for a member, pensioner and spouse.
- b) R3000 to R6000 for an eligible children and stillborn.

The Board of Trustees will review funeral benefits levels every 4 years.

Discharge Benefit

The improvement to the discharge benefit is that if a member has less than 10 years of pensionable service and is discharged for the following reasons:

- Medical reasons (not of their own doing)
- When jobs are abolished, reduced, re-organised or restructured due to operational requirements
- To promote the efficiency of the department
- When the President or the Premier appoints the member to another position
- When injured on duty; or
- Incapability not as a result of own doing

The discharge benefit will be consistent with and not less than the resignation benefit effective from 1 October 2017.

Retirement due to ill health?



Retirement due to ill health (not of your own doing) is allowed in the public service. Once you are discharged due to medical reasons, your benefits will depend on whether you have more, or less than 10 years of pensionable service. Members with less than 10 years of pensionable service, will receive a benefit that will be consistent with, and not less than the resignation benefit. However, they do not qualify for a monthly annuity/pension.

For members with more than 10 years of pensionable service, the rules provide for an increase in their years of pensionable service due to the nature of their no-fault discharge. They also qualify for a monthly annuity/pension. Their spouses will also qualify for a monthly pension in the event that they die after retirement.

The discharge process due to ill health will be facilitated by your Human Resource department and these are the requirements:

- Banking Details form (Z894) to be completed by the bank
- If obtained, a letter of approval for your discharge, signed by your head of department
- If as a principal member you have contributed to a medical aid continuously for the last 12 months of service, a Medical Scheme Membership form (Z583)
- Choice form for spouse's pension
- A certified copy of your bar-coded ID or passport, not older than six months

Sorry, No loans allowed



The GEPF receives a lot of enquiries from active members and pensioners about the possibility of getting cash loans from the Fund. The GEP Law does not make provisions for loans to members as the Fund is not a registered Financial Service Provider.

What is early retirement?



You may retire before your 60th birthday if you choose to do so, with or without the approval of your employer.

If you are 55 years old or more, but not yet sixty and you decide to go on retirement, you are classified as going on early retirement. Therefore all the conditions of early retirement will apply.

Conditions for early retirement:

- You must be between the ages of 55 and 60.
- Your service conditions allow you to retire between the ages of 55 and 60.
- If your conditions of service do not allow you to go on early retirement, there will be penalties as your lump sum will be reduced.
- If your conditions of service do not allow you to go on early retirement, the employer has the prerogative to decline.
- In order to qualify for a monthly annuity you should have been in the employment of government for 10 or more years.



0800 33 72 83 / 0800 3 Fraud (37283)

LET GEPF KNOW WHEN YOU CHANGE YOUR CONTACT DETAILS



Please remember to send us your latest address and contact details, including your cell phone number, so that we can stay in touch with you. This will assist us in processing your pension benefits efficiently and effectively, and it will ensure that you receive your GEPF newsletter and other GEPF correspondence accordingly. GEPF relies on you to provide accurate personal details. If you know of any GEPF member who does not receive this newsletter, please urge them to contact GEPF to update their contact details.

DO YOU KNOW WHERE TO FIND US?

CLIENT SERVICE CENTRES

Gauteng: Trevenna Campus, Building 2A, corner of Meintjes and Francis Baard streets, Sunnyside, Pretoria **Eastern Cape:** No. 12 Global Life Centre, Circular Drive, Bhisho **Free State:** No. 2 President Brand Street, Bloemfontein **KwaZulu-Natal:** 3rd Floor, Brasfort House, 262 Langalibalele Street, Pietermaritzburg **Limpopo:** 87 (a) Bok Street, Polokwane **Mpumalanga:** Shop No. 5 Imbizo Place, Samora Machel Street, Mbombela **North West:** Mega City, Office No. 4/17, Ground Floor, Entrance 4, Mmabatho, Mahikeng **Northern Cape:** 11 Old Main Road, Kimberley **Western Cape:** 21st Floor, No. 1 Thibault Square, Standard Bank Building, Long Street, Cape Town

SATELLITE OFFICES

Johannesburg: 124 Marshall Street (corner Marshall and Eloff streets - Gandhi Square Precinct), 2nd Floor, Lunga House, Marshalltown **Port Elizabeth:** Ground Floor, Kwantu Towers, Sivuyile Mini-Square, next to City Hall **Mthatha:** 2nd Floor, PRD Building, Sutherland Street **Durban:** 12th Floor, Salmon Grove Chambers, 407 Anton Lembede Street **Phuthaditjhaba:** 712 Public Road, Mandela Park Shopping Centre **Thohoyandou:** 2010 Centre, next to Phalaphala FM (SABC) **Rustenburg:** Shop 1, Ground Floor, 68 Marais Street

Disclaimer

The information provided in this newsletter is protected by applicable intellectual property laws and cannot be copied, distributed or modified for commercial purposes. While every effort has been made to ensure that the information contained herein is current, fair and accurate, this cannot be guaranteed. The use of this information by any third party shall be entirely at the third party's discretion and is of a factual nature only. The information contained herein does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Service Act, 2002. GEPF does not expressly or by implication represent, recommend or propose that products or services referred to herein are appropriate to the particular needs of any third party. This newsletter is for information purposes only. Please note that if the content of the newsletter conflicts with the rules of the Fund, the rules shall prevail. GEPF does not accept any liability due to any loss, damages, costs and expenses, which may be sustained or incurred directly or indirectly as a result of any error or omission contained herein.