

## UNIVERSITY OF THE WITWATERSRAND RETIREMENT FUND NOMINATION OF BENEFICIARIES FORM

Dear Member

### **The provisions of the Pension Funds Act**

Each member is required to complete a Beneficiary Nomination Form and Schedule of Dependants. These forms should be reviewed regularly and updated as and when your circumstances change. This will assist the Trustees to distribute the death benefits payable by the Fund to your dependants on a fair and equal basis in terms of the law.

**The completed forms must be returned to your HR department for safekeeping on your personnel file.**

The following information will give you a background of the legal requirements and guidelines on the completion of the Beneficiary Nomination Form and Schedule of Dependants

- A. One of the most important duties of the Board of Trustees of the Fund is the distribution of death benefits upon the death of a member. In terms of section 37C of the Pension Funds Act of 1956, Trustees are required to:
- Identify all dependents of deceased members;
  - Allocate the death benefit on a fair and equitable basis to one or more of the dependants and nominated beneficiaries;
  - Pay the benefits accordingly
- B. In terms of the provisions of section 37C, any benefit payable by a Fund upon the death of a member (other than a pension payable to a surviving spouse or child in terms of the rules of the Fund), does not form part of your estate and the benefit shall be allocated to your dependants and nominees by the Trustees of the Fund. The following amounts must first be deducted from any benefit payable, a housing surety (19(5)(b)(l)), a maintenance order (section 37A (3)) and an allocation to a spouse made in terms of a divorce order (section 37D). The Act lays down the following requirements:
- If the fund within twelve months of the death of the member becomes aware of or traces one or more dependants of the member, the benefit shall be paid to one or all such dependants, as may be deemed equitable by the trustees.
  - If the fund does not become aware of or cannot trace any dependant of the member within twelve months of the death of the member, and the member has designated in writing to the fund a nominee who is not a dependant of the member, the benefit or such portion of the benefit as is specified by the member in writing to the fund, shall be paid to such nominee only to the extent to which the benefits exceed the outstanding debt against the estate, if the estate of the member is insolvent.

- If a member has one or more dependants and the member has also designated in writing to the fund one or more nominees to receive the benefit or such portion of the benefit as is specified by the member in writing to the fund, the fund shall within twelve months of the death of the member pay the benefit or portion thereof to such dependant or nominee in such proportions as may be deemed equitable by the trustees.
- If the fund does not become aware of or cannot trace any dependant of the member within twelve months of the death of the member and if the member has not designated a nominee, the benefit shall be paid into the estate of the member or if no inventory in respect of the member has been received by the Master of the Supreme Court in terms of the Estate Act, 1956, into the Guardian's Fund.

C. In summary, the Act defines a **dependant** as any person:

- In respect of whom you were legally liable for maintenance;'
- whom you were not legally liable to maintain, if such a person:
  - was, in the opinion of the Trustees, upon your death in fact dependent on you for maintenance;
  - is your spouse (that includes a person married to you in terms of the Marriage Act, the Recognition of Customary Marriages Act, the Civil Union Act or the tenets of a religion);
  - is your child, including a posthumous child, an adopted child and an illegitimate child;
- in respect of whom you would have become legally liable for maintenance, had you not died.

D. The Trustees will take into consideration several factors, including:

the age of the person; the person's relationship to you; the extent of the dependency; the financial affairs of the dependant(s) or nominee(s); any future earning potential and prospect of the dependant(s) or nominee(s).

In terms of the Act, the Fund rules and the protocol adopted by the Fund, the Trustees will first seek to allocate amounts to dependants to satisfy their legal maintenance needs. The Trustees may use the Sanlam Benefit Calculator to determine the maintenance needs of the dependants. The balance will normally be distributed in terms of the beneficiary nomination, but always be subject to the Trustees' discretion to take relevant additional factors into account.

E. Should you wish to supplement or alter this nomination in any way please submit a fresh nomination.

F. Should the Trustees incur any extraordinary costs in the allocation of your death benefit caused by your neglect or failure to submit a fresh beneficiary nomination or schedule of dependants, such as for any additional investigation required to identify your beneficiaries or to appoint lawyers or other professionals in order to deal with complaints, claims and counterclaims by dependants, these costs may be deducted from your death benefit.

- G. Benefits payable to minor beneficiaries are typically paid to a registered beneficiary fund. This ensures that the capital is safe and earns the best return while monthly benefits are paid to the minor's remaining parent, guardian or care giver. Payment to a beneficiary fund has significant tax advantages.
- H. In terms of section 37C(2)(a)(i) you may nominate a trust contemplated in the Trust Property Control Act, 1988 (A typical family trust) for payment of benefits in respect of dependants or nominees. Should you exercise this option the Fund will appoint a professional to certify that the trust deed complies with all legal requirements and the costs incurred will be deducted proportionally from the benefits of dependants and nominees in respect of whom payment must be made to the trust. Use the section under "Motivation to the trustees" for this purpose.
- I. The Act makes provision for any beneficiaries who are aggrieved by the decision of the Trustees, to lodge a complaint to the Trustees of the Fund or if they are not satisfied with the Trustees' response, to the Pension Funds Adjudicator:

4<sup>th</sup> Floor  
Riverwalk Office Park  
Block A, 41 Matroosberg Road  
Ashlea Gardens  
Pretoria  
South Africa  
0181

Tel: 012 346 1738 or 012 748 4000  
Fax: 086 693 7472  
Email: [enquires@pfa.org.za](mailto:enquires@pfa.org.za)

## UNIVERSITY OF THE WITWATERSRAND RETIREMENT FUND NOMINATION OF BENEFICIARIES FORM

*Complete and return this form to your HR department for safekeeping*

Name and Surname	
ID Number	
Staff Number   Membership Number	
Date of Birth	

As a member of the Fund, I hereby revoke all my previous nominations and request the Fund, in the event of my death, to pay the amount which may become payable by the Fund as a result of my death, or such portion thereof as is specified below, to the person(s) mentioned below, subject to the rules of the Fund and the death benefit allocation protocol adopted by the Trustees.

Name and Surname of Nominee	Date of Birth	Relationship	Percentage of Benefit

<b>Motivation to Trustees (optional)</b>

Signed at \_\_\_\_\_ on \_\_\_\_\_ (date)

Member signature \_\_\_\_\_

Witnesses:

1 \_\_\_\_\_ 2 \_\_\_\_\_

**Note: Please study the section on appointment of beneficiaries carefully prior to making your nomination. It contains a brief summary of the provisions of section 37C of the Pension Funds Act as well as the protocol for the payment of death benefits adopted by the Trustees of the Fund.** Each member of this Fund is required to complete a Beneficiary Nomination and Schedule of Dependents on joining the Fund. Thereafter both forms should be reviewed regularly and handed to your HR department for safekeeping.

## UNIVERSITY OF THE WITWATERSRAND RETIREMENT FUND SCHEDULE OF DEPENDENTS FORM

***Complete and return this form to your HR department for safekeeping***

Name and Surname	
ID Number	
Staff Number   Membership Number	
Date of Birth	

The following persons are financially dependent on me at present.

(Persons who are financially dependent typically include: minor children, major children who are still studying or are unemployed and who are fully or partially supported by you; your spouse; an ex-spouse or child born from that relationship in respect of whom a maintenance order has been granted by the court. Any other person whose livelihood depends on regular payments/grants by yourself)

Name and Surname of Nominee	Date of Birth	Relationship	Nature of financial support

*\* e.g. Fully supported (minor children), Shared household (spouse who earns an income), Rand amount p.a. where appropriate*

<b>Special relationships or other information that I would like the Trustees to know about</b>

Signed at \_\_\_\_\_ on \_\_\_\_\_ (date)

Member signature \_\_\_\_\_

Each member of this Fund is required to complete a Beneficiary Nomination and Schedule of Dependents on joining the Fund. Thereafter both forms should be reviewed regularly and updated as and when circumstances change and handed to your HR department for safekeeping.