



When does pensionable service start?

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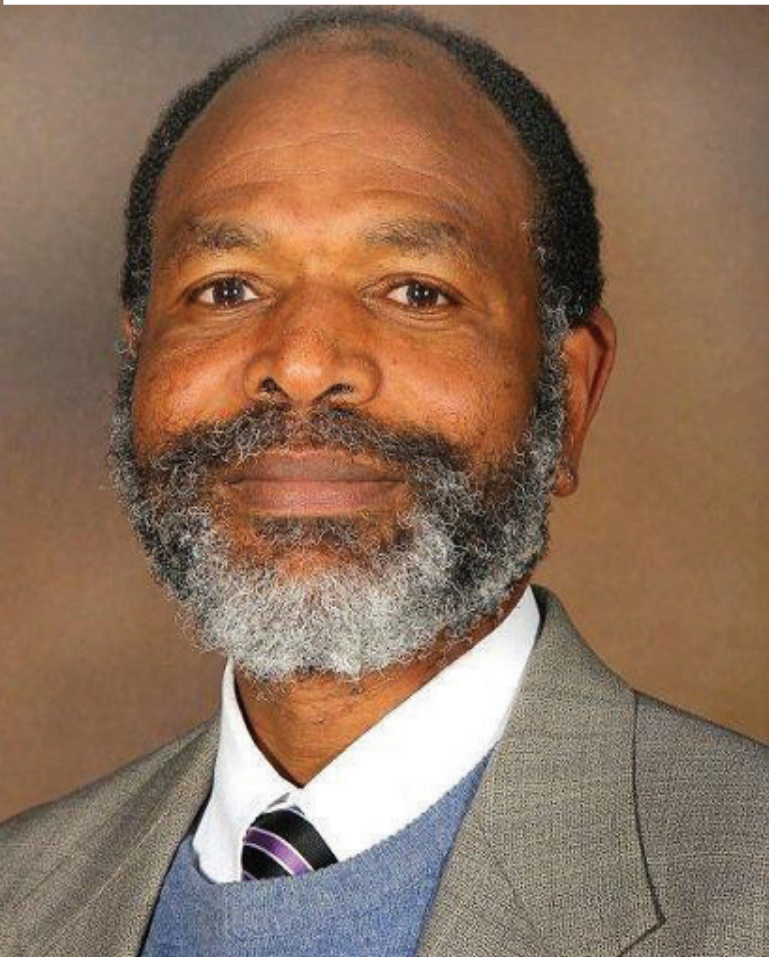
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Resignation Process

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MEET THE GEPF'S PRINCIPAL EXECUTIVE OFFICER



Mr Abel Sithole has been appointed as the Principal Executive Officer (PEO) of the Fund effective 1 July 2015.

Dr Renosi Mokate (GEPF Board of Trustees Chairperson) welcomed Mr Sithole's appointment. "Mr Sithole brings a wealth of experience and business acumen, and we look forward to working closely with him in continuing the good work at the Fund," she said.

For the past six years, Mr Sithole has been with the Institute for Futures Research (IFR) at the University of Stellenbosch. Before joining the IFR he spent twenty years in the insurance and retirement fund industries with line responsibilities for employee benefits, asset management and self-administered retirement funds.

He served two terms as Chairman of the Institute of Retirement Funds (IRF), served on the Board of the Financial Planning Institute (FPI), and was a Board member of the Savings Institute of South Africa (SISA). He is also the Chairman of the Financial Services Board and Victoria & Alfred Waterfront.

Mr Sithole holds an MA (International Relations) and MPhil (Futures Studies) from the University of Stellenbosch and an MBA from Wits Business School.

He is a Fellow of the Institute of Life and Pension Advisors (FILPA) and a qualified Chartered Financial Planner (CFP).

During his successful career he has worked and served in the financial sector in all vantage points, including consumer, principal, trustee, advisor, regulator and policy developer roles.

"GEPF's Board wanted to ensure that the process of selecting a PEO was thorough and rigorous," said Mokate. "Over the past few months Mr Sithole has proven that his exceptional qualities and leadership will ensure the Fund remains on track with its mandate and mission."



WHEN DOES PENSIONABLE SERVICE START?



Most members confuse the date they started working in government (appointment date) with the date they were admitted into the GEPF as a contributing member (service date).

This happens mostly to employees who started as contract workers and were not eligible to contribute to pension. In essence, it is only when they get employed permanently that they get admitted to GEPF and qualify to contribute to the pension fund.

Pensionable service starts from the day the employee starts paying his or her monthly pension contributions

to the Fund and continues until the day he or she stops working. This is the period in which he or she is an active, contributing member of GEPF.

Members are advised to always keep track of their GEPF service date by keeping their first pay slip which shows contributions to GEPF, as this has the service date printed on it.

Members must also check the membership certificate they receive and query anything that does not agree with the information on the payslip which indicates their first GEPF contribution.

IMPORTANCE OF COMPLETING NOMINATION FORMS

Do you ever worry about how your loved ones will cope financially if you passed away?

Should you pass away in service or within five years of retiring, certain benefits will be payable to your dependants. It is very important for GEPF members to make sure that they submit their Nomination Form to GEPF.

All you need to do is complete a Nomination of Beneficiaries form (WP1002), listing the details of all your financial dependants and anyone else you want to nominate to share in your benefit, with an indication of the percentage you want them to share.

You then hand the form in at your human resources department (along with supporting documentation such as certified ID copies and birth certificates) to give to GEPF or you can submit the nomination to GEPF directly.

You may amend your Nomination form when necessary. This should be done every time your dependants' status changes, for example, due to birth, death, divorce, etc. A newly completed Nomination form cancels out the old one.

Please note that the GEPF has the right to overrule a Nomination form if the nomination is patently unfair i.e. if a legal or factual dependant is excluded.

Please note that a Will or Testament is not a Nomination

form and beneficiaries cannot be chosen based on the Will or Testament.

WHAT IS ACTUARIAL INTEREST?

The GEPF is a Defined Benefit fund. The Rules of the Fund stipulate that the benefit payable to a member on retirement is based on his or her pensionable salary and years of membership in the Fund. The benefit payable is not related to the contributions received on behalf of that member.

Where a member retires with less than 10 years of service or withdraws from the Fund prior to retirement, the member receives his or her Actuarial Interest in the Fund, which is the estimated value of the benefit that the member has built up in the Fund to the date of exit. Put another way, it is the amount of money the Fund is holding in order to fund the expected future benefit payment to the member.

The total of the Actuarial Interest values for all members and pensioners is compared to the total assets held by the Fund to determine whether the Fund has sufficient assets to meet its liabilities – this is done formally every two years as part of the Actuarial Valuation of the Fund by a valuator who is an independent expert in this field and is approved by the regulator. An extract of the valuation results is also reflected in the Fund's published Annual Report.

- Actuarial Interest values are calculated by applying a formula based on the following:
- The average pensionable (or basic) salary in the last two years prior to exit;
- The years of membership with the Fund;
- Any purchase of service or money transferred into the Fund from other funds; and
- A factor – called an Actuarial Interest Factor – based on the member's age and whether the member is a "Services" member or an "Other" member.

In calculating the actuarial interest, the Fund determines, for each member, the potential benefit that would be payable in each future year for each type of exit (that is, resignation, death, retirement, etc.). Since the Fund has no way of knowing when and how each member will exit and what the member's salary will be at the date of exit, this calculation requires that various assumptions be made about the future economic conditions and the

demographics (profile) of the entire membership.

The demographic and economic assumptions are reviewed as part of each Actuarial Valuation of the Fund to ensure they remain appropriate and in line with the actual experience to give the best possible estimate of each member's Actuarial Interest value in the Fund.

The demographic assumptions relate to the expected number of withdrawals, deaths and retirements of members at each age and how long pensioners are expected to live. These assumptions are specific to the Fund as they are calculated from the actual experience of the Fund- this is the best available indicator of what is likely to take place in the future.

The economic assumptions relate to the expected level of future inflation, interest rates and investment returns (which are calculated from investment market information), salary increases (which are calculated relative to inflation) and pension increases (which are based on the pension increase policy of the Fund).

As the demographic experience of the Fund and economic circumstances change, it has to be reflected in the demographic and economic assumptions. The Actuarial Interest Factors, and therefore Actuarial Interest values, can increase or decrease as a result of any change in the demographic and economic assumptions. This will, in turn, reflect in a change in the current value of each member's benefits in the Fund. These changes are not the result of a decision by the Board of Trustees, the employer (government) or employee representative (trade unions).



RESIGNATION PROCESS

Members who are resigning are urged to notify their employers of their eminent exit at least ± one month in advance, in order to allow for sufficient time for their documents to be processed by both the employer and GEPE.

The following forms need to be completed by the member when they resign:

- Resignation choice form – member must indicate whether benefits should be paid into own bank account or transferred to an approved fund.
- Z1525 (Particulars of approved external retirement fund) to be completed by the financial advisor and confirmed by member should the member opt to transfer benefit to an approved fund.
- Z894 (Bank Form) - To be completed by the bank if member opted for the benefit to be paid to own account

When transferring to an Approved Fund:

- GEPE will only transfer benefits to an approved fund that is registered with the Financial Services Board (FSB)
- No transfers to provident funds are allowed.
- The full actuarial interest is transferred to the new fund and, depending on the new fund's rules, you can withdraw one third after reaching the age of 55 (ensure that you do not have any debt, divorce gratuity to ex-spouse as this deduction will be deemed the one-third deduction)
- Two thirds will then be used to "buy" an annuity which will be payable monthly.
- ID copy - Green Bar coded ID. Must be certified (certification stamp must not be older than 6 month)
- If divorced – decree of divorce and settlement agreement
- Forms to be completed by your HR department:
- Z102 – Withdrawal from Fund form
- In case of Departmental Liability – Duly completed Departmental Liability Claim Form completed by the employer and signed by both the employer and the member.

- Additional Information required:
 - Last salary pay slip
 - Proof of service termination (Persal print out)

Members are advised to settle out outstanding debts with the employers prior to exiting in order to avoid certain debts being deducted from their pension benefits.

Outstanding tax matters with SARS should also be settled with SARS prior to your exit. Members earning more than R60 000 must be registered with SARS as a taxpayer with a valid Tax Number.

It is important for a member to confirm his/her starting date as a GEPE member by submitting documents such as pay slips to the HR department (the employer has this on record).

The employer has to submit the application forms in respect of Resignations to the appropriate GEPE Regional Office one month prior to the member's exit date. This will allow sufficient time for GEPE to process your pension benefits.



HELP US PREVENT FRAUD

What is Fraud?

The term Fraud can be defined as a wrongful act or criminal deception intended to result in unmerited financial or personal gain. It refers to an illegal act or series of acts that are committed by non-physical means through concealment (hiding of information) or forgery (changing of information) in order to obtain a particular gain or benefit, which is more often than not money.

This means that Fraud is fundamentally a non-violent financial crime that can be committed against a business, government or even against other individuals.

What are the types of fraud that may occur?

The following are types of fraudulent activities taking place within the GEPF environment; they are not the only fraudulent activities taking place:

1. Fraudulent exits (using form Z102): exiting of employees whilst the employees are still in service;
2. Fraudulent form Z894 submissions: interception of Z894 (banking particulars forms) and changing of the banking details on the forms to incorrect accounts;
3. Fraudulent Beneficiaries: diversion of pension fund pay-outs to unauthorised beneficiaries; and
4. Fraudulent Payments: Unclaimed Benefits payments and Death Claim payments.

Fraud Hotline

GEPF has an independent fraud hotline (0800 43 43 73) where all calls are treated as strictly confidential and

objective. Callers may remain anonymous if they choose. The hotline is run from a secure location and the hotline operators have been trained to ensure that the identity of callers is protected. You do not pay for the call.

Steps to report fraud in GEPF:

1. Dial 0800 43 43 73 toll free from any Telkom telephone
2. You may remain anonymous but please give the hotline operator full details of the fraudulent, corrupt or unethical practice that you are reporting. Such details may include:
 - Who is involved and what they are doing?
 - What has happened?
 - How was it done and how often?
 - Where is it done?
 - When was the incident observed?
 - Values involved – monetary value
 - Any proof available?
 - Are there any witnesses?

You will be given a reference number. Keep this confidential as you will need this number when you make a follow-up call (call at a later date to request feedback on the original call.

The law, through the Protected Disclosures Act, protects everyone who reports unlawful or corrupt conduct.

GEPF EDUCATIONAL ROAD SHOWS CONTINUE IN FULL SWING

Thousands of GEPF members, pensioners and beneficiaries continue to benefit from the national education campaigns that are aimed at bringing the Fund closer to their homes.

The purpose of road shows is to strengthen relations with our members and to empower them with the necessary information that will assist in making their interaction with the Fund more seamless, beneficial and easier.

Furthermore, these campaigns are intended to educate members, pensioners and beneficiaries about GEPF's benefits and to offer them a platform to express their views

on how the Fund is administering their pensions; their current interactions with the Fund and to seek answers on all issues pertaining to the claim process.

Members are urged to attend these events as and when they come closer to their respective areas.

For more information on when the road show is coming to your area, visit the GEPF website and be on the lookout for media adverts and SMS notifications.

We visit you in your own area because we care.

UPDATE YOUR 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 will ensure that you receive your GEPF newsletter regularly.

Call us on 0800 117 669

CONTACT DETAILS

Toll free number:	0800 117 669	Postal Address:	GEPF Private Bag X63
Fax number:	(012) 326 2507		Pretoria
Website:	www.gepf.co.za		0001
E-mail:	enquiries@gepf.co.za		

Client Service Centres

Gauteng:	Kingsley Centre, Cnr Steve Biko and Stanza Bopape Street, Arcadia, Pretoria
Eastern Cape:	No12 Global Life Centre, Circular Drive, Bhisho
Free State:	No2 President Brand Street, Manguang
KwaZulu-Natal:	3rd Floor, Brasfort House 262, Langalibalele Street, Pietermaritzburg
Limpopo:	87 (a) Bok Street, Polokwane
Mpumalanga:	19 Hope Street, Ciliata Building Block A, Ground Floor, Mbombela
North West:	Mmabatho Mega City, Office No. 4/17, Ground Floor, Entrance 4, 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:	2nd Floor, Lunga House, 124 Marshall Street (Cnr Marshall & Eloff - Gandhi Square Precinct), Marshalltown
Port Elizabeth:	Ground Floor, Kwantu Towers, Sivuyile Mini-Square, (next to City Hall)
Mthatha:	2nd Floor, PRD Building, Sutherland Street
Durban:	8th Floor, Salmon Grove Chambers, 407 Anton Lembede Street
Phuthaditjhaba:	712 Public Road, Mandela Park Shopping Centre
Thohoyandou:	2nd Floor, South African Post Office, (SAPO) Building
Rustenburg:	Tlhabane House, Unit A2221, Portion 10 of Erf 3582, Tlhabane Unit 1

Disclaimer

This statement is for information purposes only and shows an estimate of the benefits you will receive when you retire or if you should die in service or withdraw from the Fund on the date of this statement. The benefits are based on your present pensionable salary and on the information at the Fund's disposal at the date of calculation. These benefits are awarded in terms of the rules of the Fund and will be confirmed by the Fund when benefits become payable. While every effort has been made to ensure the accuracy of the information contained in the statement, it confers no rights to the benefit, it is only an estimate. This statement does not take into account any debt (including divorce debt) which may be owed to the Fund or any deduction, reduction and / or enhancement of your pension benefit which may be applicable as a result of your specific circumstances and / or conditions of employment as provided for in the GEP Law and rules. Please note that if the Benefit Statement conflicts with the rules, the rules of the Fund shall prevail. All information provided to the Fund is kept confidential. GEPF has in place generally accepted security measures for the purpose of protecting all clients' personal information from misuse, loss or falsification. Only authorised personnel have access to information submitted. It is the responsibility of the individual to ensure that his / her information is protected and sufficiently stored at all times. Information provided to GEPF is subject to the policies guiding the storage of information and will be destroyed after the prescribed retention period, or as decided on by the party responsible for this request. GEPF will not take any responsibility for information lost or abused outside of the Fund.