

DURBAN PENSION FUND GUIDELINES FOR BENEFICIARIES

**Alexander Forbes Place
10 Torsvale Avenue
Torsvale Park
La Lucia Ridge Office Estate
Umhlanga Rocks
Telephone : 031 573 8000**

2017-02

1. BENEFITS ON DEATH OF A PENSIONER

- 1.1 The widow/widower of a pensioner will be entitled to the same pension as the deceased pensioner for a period of three months and thereafter will receive 60% (40% if married after retirement) of the pensioner's pension prior to commuting.

The table below provides examples of the widow/er pension payable in various circumstances:

% Commuted at Date of Retirement	% of Deceased Member's Actual Pension Payable to Widow/er	
	Married Before Retirement	Married After Retirement
0%	60%	40%
10%	66.7%	44.4%
25%	80%	53.5%
33 $\frac{1}{3}$ %	90%	60%

- 1.2 Child pensions will also be payable if the child has not been married and is:-
- less than 18 years of age; or
 - up to 24 years of age if still in continuous full-time study and subject to successful educational progress.
- 1.3 The calculations of the widow/widower pension may only commence once Alexander Forbes the Fund Administrator is in receipt of the following documents:
- certified copy of death certificate
 - marriage certificate
 - banking instructions of widow/widower (local or overseas)
 - widow/widower's identity document
 - SARS income tax number
 - children's identity documents and proof of continuous full-time study if over 18 years of age.

The administrative process of bringing a widow/widower onto the pay system following the death of a pensioner does take time and alternative provision should be made to meet monthly expenses for up to 2 months following the receipt of the required documentation.

Should you have any queries in the above regard please contact Alexander Forbes
 Client Interaction Centre: 0800 122 992 / 0800 112 157
 (011) 269-0974 Fax: (011) 263-2120
 Email: PensionerQueries@aforbes.co.za

2. POINTS TO REMEMBER

- 2.1 The following amounts may be deducted from monthly pensions:
- (a) Medical Aid - if you are a member of a medical aid scheme you will need to make contact with your medical aid should you wish to continue your membership.
 - (b) Tax on monthly pension, if applicable.
 - (c) Durban Municipal Thrift Fund savings.
 - (d) Community chest.
 - (e) Retired Municipal Employees Association deduction.
- 2.2 Every year in April you will be posted a Certificate of Existence (COE). To avoid suspension of your pension payments this Certificate must be completed, signed before a Commissioner of Oaths and returned promptly together with a certified copy of your identity document. If your pension is suspended it will only be reinstated following receipt of your completed Certificate of Existence. Should you not receive this certificate by the end of July you should make contact with the Administrator.
- 2.3 Advise Alexander Forbes timeously and in writing of any change of banking details, residential or postal address or personal particulars.
- 2.4 With the exception of December pension, your pension will be paid into your nominated bank account on the 27th of each month, or the closest working day prior to the 27th if the 27th falls on a weekend or a public holiday. December's pension will be paid on the second working day prior to the 25th December.
- 2.5 You will be provided with a pay advice on your first pay month and thereafter only when there is a change in your gross pension, e.g. July (increase), November (bonus), etc. Monthly payslips can be sent to members who have an email address.
- 2.6 Contact Alexander Forbes whenever you have a problem with your pension.
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3. ANNUAL BONUS

An annual bonus is paid in November each year. The bonus paid is equal to the actual pension paid in that month. The first bonus payable is in proportion to the number of months that the deceased member/widow/widower had been on pension in the preceding 12 month period.

4. ANNUAL INCREASES

Increases in pensions are granted from 1 July each year. The Fund's pension increase policy is to increase pensions in line with the average monthly increase in the consumer price index over the previous 12 months ended the prior January of each year. Any increase in pensions is subject to affordability. The eThekweni Municipality has however agreed to guarantee that pensions will be increased each year by at least 60% of the increase in the consumer price index. Thus in accordance with the Fund's current increase policy and the Municipality's guarantee pensions are increased by between 60% and up to 100% of the consumer price increase each year.

5. BIRTHDAY AWARDS

Birthday awards are payable in the month a surviving spouse turns 70, 80, 90 and 100 years of age.

6. RESIDUAL VALUE

In all instances a minimum benefit amount is payable by the Fund. The value of this benefit is equivalent to twice the member's contributions less any amount paid in the form of a commutation and/or monthly pension.

7. DISPUTE RESOLUTION

Disputes regarding the Fund may be addressed to the Pension Fund Administrator, Alexander Forbes Place, 10 Torsvale Avenue, Torsvale Park, La Lucia Ridge Office Estate, Umhlanga Rocks. 4320, or to the Principal Officer, P O Box 205, Durban, 4001 or to the Pension Funds Adjudicator, P O Box 651826, Benmore, 2010.