



## ADMINISTRATION MANUAL



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## **SECTION A: GENERAL INFORMATION**

### **1. INTRODUCTION**

This manual sets out the procedures that need to be adopted by the participating employers in order for SALT Employee Benefits to administer the Private Security Sector Provident Fund. It is intended to assist personnel who perform administrative and other functions on behalf of the Fund and to maintain uniformity of procedures. The Private Security Sector Provident Fund is administered by SALT Employee Benefits.

The Fund is legally governed by a set of Rules, which has been registered with the Statutory Authorities. The registration and approval details are as follows:

- FSB Registration Number: 12/8/37197
- SARS Approval Number: 18204041385

While this guide is intended to cover every eventuality, please contact SALT Employee Benefits to discuss any aspect on which you would like greater clarity.

### **2. ADDRESS**

Delivery address:	Private Security Sector Provident Fund
	c/o SALT Employee Benefits
	Precision House
	International Business Gateway
	Corner 6 <sup>th</sup> Road and New Road
	Midrand, 1685

Postal address:	Private Security Sector Provident Fund
	c/o SALT Employee Benefits
	PO Box 3119
	Halfway House, 1685

## **SECTION A: GENERAL INFORMATION**

### **3. CONTACT DETAILS**

Helpdesk	<b>0861 177 775</b>
Exits – Withdrawal Claims	Psspf.exits@salteb.co.za or faxed to 086 644 4328
Exits – Death Claims	Psspf.deathclaims@salteb.co.za or faxed to 086 644 4328
Exits – Disability Claims	Psspf.deathclaims@salteb.co.za or faxed to 086 644 4328
Employer and Member Queries	<a href="mailto:Psspf.queries@salteb.co.za">Psspf.queries@salteb.co.za</a> or faxed to 086 644 4328
Contribution Schedules	Psspf.contributions@salteb.co.za

### **4. FUND OFFICES CONTACT DETAILS**

<b>Johannesburg</b>	108 Fox Street, Metropolitan Building, Mezzanine (M) Floor – (Tel: 011 492 2208)
<b>Cape Town</b>	37 Strand Street, Office Number 300, Cape Town - (Tel: 021 423 3093 / 426)
<b>Durban</b>	Commercial City Building, 40 Dr AB Xuma Street, Commercial Road, No: 2137 - (Tel: 031 301 4401)
<b>Port Elizabeth</b>	Pier 14 Shopping Mall, 2 <sup>nd</sup> Floor, Govan Mbeki, North End – (Tel: 041 481 1136)
<b>Bloemfontein</b>	No 6 Elizabeth Street, Finbond Building, 2 <sup>nd</sup> Floor - (Tel: 051 430 5397)

## **SECTION A: GENERAL INFORMATION**

### **5. FUND BANKING DETAILS**

Account Name	Private Security Sector Provident Fund
Bank	Absa
Account Type	Cheque
Account Number	4055943021
Branch Code	632005

**Note:**

Please ensure that the bank reference number is used for all deposits made into this account. Should you not have a bank reference number, please contact the Administrator to request it.

### **6. AUTHORISED SIGNATORIES**

A list of individuals who are authorised to sign Fund documentation must be submitted to SALT Employee Benefits with sample signatures.

Documentation that has not been signed by the authorised signatories will not be processed.

## **SECTION B: MEMBERSHIP**

### **1. NEW ENTRANT**

An eligible Employee is each person who is employed in the Private Security Sector and who:

- is deemed to be an employee in terms of the Sectoral Determination;
- has not reached the Normal Retirement Date;
- is not a member of another retirement fund providing retirement benefits which was set up in terms of an agreement under the Labour Relations Act, 1956 or in terms of a collective agreement concluded in council in terms of the Labour Relations Act (Act No.66 of 1995), but excludes any person who is employed by an employer who has been granted exemption to participate in the Fund in terms of the Rules.
- Has accumulated the required Fund Qualification Service.
- Please note that if a member changes employers within the Private Security Sector and there is no break in the fund membership – then this member must be a normal contributing member and is not a risk only member. In these circumstances the contributions as per the Rules become payable in respect of that Member.

#### **Note:**

“A member entering the Private Security Sector for the first time or who has been out of the Private Security Sector for more than 6 months shall, for the first 4 (four) months of Membership, only be entitled to the Risk Benefits.”

“After the Member has been in the Fund for 4 (four) months the other benefits of the Fund become payable and the contributions as per the Rules become payable in respect of that Member.”

### **CHANGE OF MEMBER DETAILS**

If there are any changes to the member's static details, i.e. surname, employee number, Identity number – please indicate these changes on the monthly payroll data that is submitted to the fund.

**Employer:**

- The particulars of the new member/changes or of existing members should be indicated on the monthly payroll member data file.
- Members over the age of 65 are not permitted to join the fund.
- It is compulsory to provide valid ID numbers for all new members.

**SALT Employee Benefits:**

- Register the employee as a member of the Fund.
- Allocate a Fund reference number to the new member.
- Provide member/pay point with a new membership certificate.
- Adjust membership record of existing member.

## **SECTION B: MEMBERSHIP**

With effect from 7 October 2015, the Rules of the Private Security Sector Provident Fund indicate the following that must be adhered to by all employers:

### **2. AUTHORISED ABSENCE**

In terms of the Rules – a Member shall not be permitted to withdraw from membership while the member remains in service.

#### **2.1. Members on Approved leave:**

##### **2.1.1. With pay:**

If the members are on Approved leave – with pay – the following is payable:

<b>Private Security Sector Provident Fund</b>	
➤ Employee Contributions	7.5% of Fund Salary
➤ Employer Contributions	7.5% of Fund Salary

##### **2.1.2. Without pay:**

If the members are on Approved leave – without pay – the following is payable:

<b>Private Security Sector Provident Fund</b>	
➤ Employee Contributions	0% of Fund Salary
➤ Employer Contributions	5% of Fund Salary

Please indicate on the monthly payroll data file that the member is on Approved leave without pay.



## **SECTION B: MEMBERSHIP**

### **2.2. Members on Unapproved leave without pay:**

If the members are on Unapproved leave – without pay – the following is payable:

<b>Private Security Sector Provident Fund</b>	
➤ Employee Contributions	0% of Fund Salary
➤ Employer Contributions	2.5% of Fund Salary

Please indicate on the monthly payroll data file that the member is on unapproved leave without pay.

### **2.3. Maternity Leave:**

If a member is on maternity leave, no contributions shall be made by the member. However, the employer must continue to make contributions for both the member and the employer, to the fund, throughout the period of maternity leave as set out below:

<b>Private Security Sector Provident Fund</b>	
➤ Employee Contributions	0% of Fund Salary
➤ Employer Contributions	15% of Fund Salary

Please indicate on the monthly payroll data file that the member is on maternity leave.

#### **Employer:**

- Ensure that the type of absence is recorded on the monthly payroll member data file.

#### **SALT Employee Benefits:**

- Change the member record.

#### **NOTE:**

A member's risk benefits and membership will not be affected provided that the contributions by the employer, on behalf of the member, continue to be paid as set out above.

## **SECTION C: CONTRIBUTIONS**

### **1. FUND SALARY**

The Fund Salary will be based on the member's monthly wage calculated as follows:

$$A \quad \times \quad B \quad \times \quad 4.333$$

WHERE

A = Member's ordinary hourly rate of pay applicable to Grades A, B, C or D and other such categories as may exist as per the Sectoral Determination.

B = The maximum number of hours a member is permitted to work at the ordinary rate of pay as per Sectoral Determination 6 of 2001 or such lesser number of hours as may be agreed in writing between the employer and the member or any reduced maximum ordinary hours an employee may work that may be legislated in terms of a Sectoral Determination or the Basic Conditions of Employment Act, whichever is applicable.

Fund Salary shall be determined on the first day of each month of membership in the Fund.

#### **NOTE:**

Where a member has not worked for the entire month, the member and employer contributions should still be calculated in line with the formula stated above.

## SECTION C: CONTRIBUTIONS

### 2. CONTRIBUTIONS

#### 2.1. Contribution rates

The contribution rates for the Fund are as follows:

Private Security Sector Provident Fund	
➤ Employee Contributions	7.5% of Fund Salary
➤ Employer Contributions	7.5% of Fund Salary
	<b>Note:</b> 5% of Fund Salary is used to cover the cost of: <ul style="list-style-type: none"><li>- Administration;</li><li>- Other operational costs;</li><li>- Death benefits;</li><li>- Disability benefits; and</li><li>- Funeral benefits.</li></ul>

#### 2.2. Risk only members

The contribution rates for the Fund for Risk only members are as follows:

Private Security Sector Provident Fund	
➤ Employee Contributions	2.5% of Fund Salary
➤ Employer Contributions	2.5% of Fund Salary

**Note:**

Members are "Risk Only" for 4 months only and thereafter contributions as per the contributions rates are payable.

Should a member transfer between employers, where there is no break in Fund membership, then this member is to contribute per the Rules and is not to be treated as a "Risk Only" member.

## **SECTION C: CONTRIBUTIONS**

### **3. PAYMENT OF CONTRIBUTIONS**

In terms of Section 13A of the Pension Fund Act, payment of contributions must be made no later than the 7<sup>th</sup> day of the month following the month for which the deduction was made (e.g. February contributions are payable by the 7<sup>th</sup> of March).

Failure to do so is an offence and employers who do not pay their contributions by the 7<sup>th</sup> of the month will be in contravention of Section 13A of the Pension Funds Act and are noted as **Non-Compliant** and reported as such.

**It is important for employers to ensure that the deposit made in respect of the data schedules matches the schedules that are submitted to the fund.**

The Pension Fund Act provides for Late Payment interest to be charged on the late payment of contributions, i.e. contributions received after the 7<sup>th</sup> of the month.

The Trustees of the Private Security Sector Provident Fund require the necessary electronic contribution schedules of membership data, in the prescribed format, to be forwarded to SALT Employee Benefits by no later than the 15<sup>th</sup> of the month following the month for which the deduction was made.

Failure to do so is an offence and employers who do not submit the data to support the payments made by the 15<sup>th</sup> of the month will be in contravention of Section 13A of the Pension Funds Act and are noted as **Non-Compliant** and reported as such.

Compliance Certificates are issued by the Compliance Officer of the Fund and these are only issued to Compliant Employers.

**A Compliant Employer is an Employer who:**

- **Pays the contributions on or before the 7<sup>th</sup> of the month using the unique deposit number as reference AND**
- **Submits the data schedules in an electronic format, in terms of the minimum requirements on or before the 15<sup>th</sup> of the month**
- **Includes employer contributions for members on authorised absence**
- **Reconcile payment amounts to schedule amounts and explain differences**

## SECTION C: CONTRIBUTIONS

### 4. MONTHLY PAYROLL MEMBER DATA FILE

The electronic data as per the Minimum Data requirements must be submitted, in an electronic MS Excel format to SALT Employee Benefits by no later than the 15<sup>th</sup> of each month via:

E-mail : [psspf.contributions@salteb.co.za](mailto:psspf.contributions@salteb.co.za)

**Please ensure that proof of payment of the contributions accompanies the data file submitted. It is important for employers to ensure that the data schedules received matches the deposit made in respect of that schedule.**

In terms of Section 13A of the Pension Fund Act, the submission of the data must be made no later than the 15<sup>th</sup> day of the month following the month for which the deduction was made (e.g. February data schedules are to be submitted by the 15<sup>th</sup> of March).

Failure to do so is an offence and employers who do not submit their schedules by the 15<sup>th</sup> of the month are in contravention of Section 13A of the Pension Funds Act and will be noted as **Non-Compliant** and reported as such.

Please note that failure to submit the required data and payments timeously could result in a delay in reconciling the member records.

## **SECTION C: CONTRIBUTIONS**

### **5. SECTION 13A OF THE PENSION FUNDS ACT**

Section 13A of the Pension Funds Act, 24 of 1956 (“the Act”) provides that contributions that are payable by an employer participating in a pension fund must be paid to the fund or administrator within the time period prescribed in the Act. In addition to this compliance, Regulation 33 also requires an employer to submit certain prescribed minimum information regarding the contributions paid to the fund or administrator of the fund.

According to section 13A, all participating employers of the Private Security Sector Provident Fund must make monthly contribution payments in respect of any member of the fund within 7 (seven) days after the end of the month for which such a contribution is payable. Further, section 13A(2) requires that the schedule of minimum information in respect of the member shall accompany the contributions. Should the schedule of minimum information not accompany the contributions it shall be submitted to the fund not later than 15 (fifteen) days after the end of the month in respect of which the contributions are due.

According to section 13A(7) of the Act, the implications of the funds not receiving the contributions before the expiry of the period as aforementioned is that interest in terms of PF Circular 110 will be payable on the outstanding contributions from the first day following the expiry of the period in respect of which the contributions had to be paid.

The Registrar of Pension Funds prescribes the rate at which the penalty interest payable should be calculated. The rate used to calculate the penalty interest depends on whether the unpaid contributions are greater or less than R10 000.

The formula is as follows:

Unpaid contributions not exceeding R10,000.00	Unpaid contributions exceeding R10,000.00
Repo rate + 1/3 thereof +11% The penalty interest rate is capped at 23%	Repo rate + 1/3 thereof + 11% The penalty interest rate is capped at 20%

## **SECTION C: CONTRIBUTIONS**

Moreover, the Act extends personal liability for non-payment of contributions to individuals, including managing directors, controlling shareholders, members or partners and every person who controls or is involved in the management of the employer's financial affairs.

In terms of the new provision the following persons may be held personally liable:

In respect of a company, the directors regularly involved in the management of the company's overall financial affairs;

In respect of a close corporation, the members who control or are regularly involved in the management of the close corporation's overall financial affairs; and

In respect of any other body, any person, trustee, or partner in accordance with whose instructions the governing body of the employer acts or who controls or is regularly involved in the management of the employer's overall financial affairs.

Any person found guilty for the non-payment of contributions is guilty of an offence and liable on conviction to a fine not exceeding R10 million or to imprisonment for a period not exceeding 10 years, or to both such fine and such imprisonment.

The Fund hereby requests that employers provide a list of all individuals, including managing directors, controlling shareholders, members or partners and every person who controls or is involved in the management of the business' financial affairs excluding administrative staff, human resource managers and officers.

## **SECTION D: SUMMARY OF BENEFITS**

### **1. WITHDRAWAL BENEFITS**

In terms of the Rules of the Fund – a Member shall not be permitted to withdraw from membership while the member remains in service.

If a claim form is received for a member and if the administration system shows that the member is still actively contributing – this member is considered as re-employed and the claim will not be processed for the member.

#### **1.1. Amount of benefit**

A lump sum benefit equal to the member's Fund Credit is payable on resignation, dismissal or retrenchment.

The total value in the Fund is made up of:

- Member contributions **Plus**
- The Employer's Contributions, **Less**
- Any Fund costs, **Plus**
- Any transfer in values received for the member, **Plus**
- Investment Returns

When a member resigns, is retrenched or dismissed, a Member Benefit Claim form should be completed and submitted to SALT Employee Benefits via:

E-mail : [psspf.exits@salteb.co.za](mailto:psspf.exits@salteb.co.za); or  
Fax : 086 644 4328.

**ALL** relevant fields on the Member Benefit Claim form **MUST** be **ACCURATELY** completed and this form must be accompanied by the following documentation:

- Copy of the member's Identity Document
- Copy of the member's bank statement – this must not be more than 3 months old
- Transfer forms, if the member is transferring to a Retirement Annuity or Preservation Fund
- The claim form must be signed by the member
- The claim form must be stamped and signed by the employer.

On receipt of the Member Benefit Claim form, and the supporting documentation, the administrator of the Fund will process the withdrawal claim.

**Note:** No claim will be processed on receipt of incomplete or missing documentation.



## **SECTION D: SUMMARY OF BENEFITS**

	<b>Breakdown of Claim Process</b>
➤ Claim Process	<p>The process includes the following:</p> <ul style="list-style-type: none"> <li>• Scanning and Indexing of claim forms</li> <li>• Claim assessing</li> <li>• Claim Initiation</li> <li>• Calculation of Benefits</li> <li>• Apply for Tax</li> <li>• Authorised 1<sup>st</sup> Signatory</li> <li>• Authorised 2<sup>nd</sup> Signatory</li> </ul>

### **1.2 Options available upon withdrawal**

The Fund Credit may be:

- Paid in cash
- Transferred to another approved fund, i.e.:
  - The members new Pension or Provident Fund
  - A Retirement Annuity Fund
  - A Preservation Fund

#### **NOTE:**

Members over the age of 55 qualify for Retirement Benefits and the Retirement option must be completed on the claim form.

Please note that a tax directive must be obtained for all claims.

Employers must provide the Income Tax Number of the employee who is in their employment.

If the incorrect taxable earnings are provided, tax could be calculated incorrectly on the member's benefit.

The employer will be held accountable if any underpayments are made on behalf of the Employee as a direct result of incorrect salaries used.

The member must ensure that he/she is registered with the S.A. Revenue Services and that all outstanding tax returns are handed in at the S.A. Revenue Services.

It is important that Professional Financial Advice is obtained when the member makes a decision on how the benefit is to be paid.

## **SECTION D: SUMMARY OF BENEFITS**

### **1.3. Member Benefit Claim Form**

The “Member Benefit Claim form” may be found in Annexure A of this manual.

#### **WITHDRAWAL (RESIGNATION / DISMISSAL / RETRENCHMENT)**

##### **Documentation:**

- Member Benefit Claim form.
- Copy of the member’s Identity Document
- Copy of the member’s bank statement – this must not be more than 3 months old
- Transfer forms, if the member is transferring to a Retirement Annuity or Preservation Fund.

##### **Employer:**

- Ensure that the Member Benefit Claim form is completed in full and is signed by the Member.
- Ensure that the member’s address and contact phone numbers are completed on the claim form.
- Ensure that the date of exit and date of last contribution is completed on the claim form
- Ensure that the claim form is stamped and signed by an authorised signatory
- Refer to the general guidelines for completion of the Member Benefit Claim form provided in Annexure B to this manual.

##### **SALT Employee Benefits:**

- Calculate the value of the benefit.
- Apply for a tax directive.
- Pay benefit as per member instruction.

Please note that if the contributions are not paid to the fund and if the data schedules are not submitted timeously – then this will have an impact on the claims process.

## **SECTION D: SUMMARY OF BENEFITS**

### **2. PROMOTED MEMBERS**

In terms of the Rules of the Fund - if a member gets promoted and no longer meets the eligibility criteria of the fund, and is still in the Service of the employer – then no further contributions can be made to the Private Security Sector Provident Fund.

Notification is to be given to the fund of the members' instruction of where the benefits are to be transferred.

The following options are available to the member on promotion:

The Fund Credit may be:

- Transferred to another approved fund, i.e.:
  - The members new Pension or Provident Fund
  - A Retirement Annuity Fund

It must be noted that a promoted member MAY NOT be paid a cash withdrawal benefit on promotion as this member is still in service of the employer.

## **SECTION D: SUMMARY OF BENEFITS**

### **3. RETIREMENT BENEFITS**

#### **3.1 Amount of benefit**

When a member retires, a Member Benefit Claim form should be completed and submitted to SALT Employee Benefits via:

E-mail : [psspf.exits@salteb.co.za](mailto:psspf.exits@salteb.co.za); or  
Fax : 086 644 4328.

**Members over the age of 55 qualify for Retirement Benefits and the Retirement option must be completed on the claim form.**

**ALL** relevant fields on the Member Benefit Claim form **MUST** be **ACCURATELY** completed and this form must be accompanied by the following documentation:

- Copy of the member's Identity Document
- Copy of the member's bank statement – this must not be more than 3 months old
- Transfer forms, if the member is purchasing an annuity on retirement.
- The claim form must be signed by the member
- The claim form must be stamped and signed by the employer.

On receipt of the Member Benefit Claim form, and the supporting documentation, the administrator of the Fund will process the retirement claim.

**Note:** No claim will be processed on receipt of incomplete or missing documentation.

## **SECTION D: SUMMARY OF BENEFITS**

	<b>Breakdown of Claim Process</b>
➤ Claim Process	The process includes the following: <ul style="list-style-type: none"><li>• Scan and Indexing of claim forms</li><li>• Claim assessing</li><li>• Claim Initiation</li><li>• Calculation of Benefits</li><li>• Apply for Tax</li><li>• Authorised 1<sup>st</sup> Signatory</li><li>• Authorised 2<sup>nd</sup> Signatory</li></ul>

### **Normal Retirement**

The normal retirement age of the Fund is 65 years.

### **Voluntary Early Retirement**

A member may voluntarily retire early from age 55, with the agreement of the employer.

### **III Health Early Retirement**

At the request of the employer, a member may be retired at any time before the member's normal retirement age, due to retrenchment or ill-health, if the employer and the trustees, after considering medical evidence acceptable to them, conclude that a member has become incapable of discharging his/her duties.

### **Late Retirement**

Members can with the prior consent of the employer, retire after his/her normal retirement date, provided that he/she shall not retire after the age of 70 years. A member cannot remain a member of the fund after age 70.

## **SECTION D: SUMMARY OF BENEFITS**

### **3.2. Amount of benefit**

A lump sum benefit equal to the member's Fund Credit.

The total value in the Fund is made up of:

- Member contributions **Plus**
- The Employer's Contributions, **Less**
- Any Fund costs, **Plus**
- **Any transfer in Value received for the member plus**
- Investment Returns

### **3.3 Member Benefit Claim Form**

The "Member Benefit Claim form" may be found in Annexure A of this manual.

## **RETIREMENT**

### **Documentation:**

- Member Benefit Claim form.
- Copy of member's Identity document.
- Copy of the member's bank statement – this must not be more than 3 months old.
- Instruction from member and financial advisor regarding monthly pension to be purchased, if applicable.

### **Employer:**

- Ensure that all completed documentation is with SALT Employee Benefits at least one month prior to retirement date.
- Ensure that the member's address and contact phone numbers are completed on the claim form.
- Ensure that the date of exit and date of last contribution is completed on the claim form
- Ensure that the claim form is stamped and signed by an authorised signatory

### **SALT Employee Benefits:**

- Calculate the value of the benefit.
- Apply for a tax directive.
- Pay benefit as per member instruction.

## **SECTION D: SUMMARY OF BENEFITS**

### **4. DEATH BENEFITS**

When a member dies in service, SALT Employee Benefits must be notified, in writing, and a death certificate must be submitted. A Member Benefit Claim form should be completed and submitted to SALT Employee Benefits as soon as possible. In order for a claim to be valid, the documentation must be submitted within 12 months from the date of death of the member.

The following must be submitted to SALT Employee Benefits:

- Member Benefit Claim form
- A certified copy of the Death Certificate,
- A copy of the member's latest payslip
- The certified copy of the member's ID document
- Supporting documentation for the deceased's beneficiaries

These documents must be sent to the address:

E-mail : [psspf.deathclaims@salteb.co.za](mailto:psspf.deathclaims@salteb.co.za); or  
Fax : 086 644 4328.

**ALL** relevant fields on the Member Benefit Claim form **MUST** be **ACCURATELY** completed and this must be accompanied by the necessary supporting documentation.

On receipt of the Member Benefit Claim form, and the supporting documentation, the administrator of the Fund will calculate the value of the benefit.

The remaining documentation can be submitted once it has been ascertained to whom the benefit should be paid.

## **SECTION D: SUMMARY OF BENEFITS**

### **4.1. Amount of benefit**

In the event of the death of a member while in service, prior to Normal Retirement Date, the death benefit payable in terms of the Rules of the Fund is as follows:

A lump sum benefit equal to:

- The Member's Fund Credit:

The total value in the Fund is made up of:

- Member contributions **Plus**
- The Employer's Contributions, **Less**
- Any Fund costs, **Plus**
- Any transfer in value received for the member, **Plus**
- Investment Returns

#### **PLUS if the claim is:**

Prior to 1 February 2016:

- A lump sum equal to 2,5 times the member's Fund Salary. **OR**

Post 1 February 2016

- A lump sum equal to 3,25 times the member's Fund Salary.

**NB: In calculating the death benefit – the Fund Salary is capped at the Grade A Salary.**

**If the employer is not up to date with the contributions that are payable to the Fund – then in the event of a member passing away in service – the Fund will not be liable for any risk benefits.**

### **4.2. Forms**

The following forms may be found in Annexure A of this manual:

- "Member Benefit Claim form"
- "Disposal of Death Benefits form"

Kindly ensure that the certified copies are submitted to SALT Employee Benefits.

The Fund makes use of the services of a Section 37C Service Provider who is responsible for investigating the death claims and for obtaining the supporting documentation for the death claims.



## **SECTION D: SUMMARY OF BENEFITS**

### **DEATH**

#### **Documentation Required:**

- Member Benefit Claim form.
- Beneficiary Nomination form.
- A certified copy of the death certificate.
- A certified copy of the deceased's identity document.
- Certificate of Service.
- Certified copy of marriage certificate (required for all married family members).
- Certified proof of age of all dependants.
- Copy of Trustee Resolution Disposing death benefits.

#### **Employer:**

- Submit the Death Claim Form to SALT Employee Benefits.

#### **SALT Employee Benefits:**

- Calculate the value of the benefit.
- Apply for tax on the benefit.
- Pay out the benefit according to the Trustee Resolution.
- Inform the Employer that benefit has been paid.

## **SECTION D: SUMMARY OF BENEFITS**

### **4. FUNERAL BENEFITS**

The funeral claim form and supporting documentation should be completed and submitted to the funeral benefit services provider directly.

**All funeral claims must be sent to:**

#### **Bophelo Life Insurance**

Fax Number : 086 550 0730  
Email Address : [psspfclaims@bophelolife.co.za](mailto:psspfclaims@bophelolife.co.za)  
Phone Number : (011) 880 5798

The scale of benefits is as per table below are applicable from 1 February 2016:

Member	R 30 000
Spouse	R 30 000
Children 14-21 Years	R 30 000
Children 6-13 Years	R 19 000
Children 1-5 Years	R 14 000
Children 0-11 Months (including Stillborn)	R 7 500

## **SECTION D: SUMMARY OF BENEFITS**

### **5. TOTAL AND PERMANENT DISABILITY BENEFITS**

A member shall be classified as totally and permanently disabled in terms of the Rules of the Fund if:

- the Trustees received notification from his/her Employer; and
- satisfactory medical evidence that he has become totally and permanently incapable of engaging
  - in his own normal occupation or
  - in any other occupation for which,

in the Trustees' opinion, he could be reasonably considered capable of engaging by virtue of his training and general experience for remuneration or profit, provided that the Member shall, as soon as possible after the date of disablement, procure proper medical attention and carries out and follows in full the medical instructions and advice given by the medical practitioner or attending doctor.

These documents must be sent to the address:

E-mail : [psspf.deathclaims@salteb.co.za](mailto:psspf.deathclaims@salteb.co.za); or  
Fax : 086 644 4328.

#### **5.1. Amount of benefit**

The following are guidelines in identifying a potential disability claim:

- Poor work performance, which may be caused by ill health or injury;
- Frequent or excessive sick leave;
- A medical doctor's note or report requesting extended sick leave;
- A reported serious illness, injury or pending surgery.

If a disability claim is approved by the Fund, the member will be entitled to a lump sum benefit equal to:

- The Member's Fund Credit

#### **PLUS if the claim is:**

Prior to 1 February 2016:

- A lump sum equal to 2,5 times the member's Fund Salary. OR

Post 1 February 2016

- A lump sum equal to 3,25 times the member's Fund Salary.

## **SECTION D: SUMMARY OF BENEFITS**

**NB: In calculating the death benefit – the Fund Salary is capped at the Grade A Salary.**

**If the employer is not up to date with the contributions that are payable to the Fund – then in the event of a member becoming totally and permanently disabled in service – the Fund will not be liable for any risk benefits.**

### **Please Note:**

- If the member has become disabled during the last 10 years prior to his/her normal retirement date, this benefit will be decreased in accordance with the following table:

<b>Years Prior to Normal Retirement Age</b>	<b>Percentage Reduction in Benefit</b>
9	10%
8	20%
7	30%
6	40%
5	50%
4	60%
3	70%
2	80%
1	90%

### **Payment of benefit**

Payment will occur as soon as possible after the date of disablement of the member.

Once it has been confirmed that the member is disabled, please submit a Member Benefit Claim Form and indicate that the member is an Ill Health Retirement Claim form. Once the benefit has been paid, the member is no longer a member of the Fund. The member will therefore not be entitled to a death benefit.

## **SECTION D: SUMMARY OF BENEFITS**

### **5.2 Identification of a Potential Disability claim**

#### **Documentation:**

- Initial Claim Advice (upon identification of potential disability).
- Copy of last payslip/certificate of earnings as at date of disability.
- Certified copy of Identity Document.
- Member's banking details.
- Sick leave record.
- Employee's company job description.

#### **DISABILITY BENEFIT APPLICATION FORM:**

##### **Employer's Declaration:**

Once a potential disability claim is identified, the Employer will need to complete the Initial Disability Claim Advice and forward this to SALT Employee Benefits.

It is advisable to submit this form as soon as possible and as early as two weeks after a member has gone on sick leave.

##### **Employee's Declaration:**

To be completed by the member. Should the member be unable to complete the form the Human Resources department will be required assist the member.

##### **Confidential Medical Report:**

Confidential Medical Report: this is to be completed by the General Practitioner. The cost for this report is borne by the member.

##### **Specialist:**

If the member consults a medical specialist, it is preferable that the specialist completes the form. The member has an obligation to provide medical information to support a disability claim.

##### **SALT Employee Benefits:**

On receipt of the claim documentation, SALT Employee Benefits will send these documents to the Disability Service Provider for assessment.

## SECTION E: BENEFICIARY NOMINATION

### 1. BENEFICIARY NOMINATION

Retirement Funds accumulated in Provident Funds do not form part of the member's estate on death and therefore cannot be distributed in terms of a will.

The only way that a member can express his/her wish as to how the benefits will be distributed on death is in terms of the nomination he/she makes on a Beneficiary Nomination Form. The payment of a death benefits as defined in the Rules of the Fund is subject to the provision of Section 37C of the Pension Fund Act, 1956, as amended.

While the Trustees managing the Fund will take into account the wishes of the member, they retain the discretion to make payment of benefits to dependants and/or nominees in such proportions as they deem equitable.

#### Categories of Dependants

Legal Dependants	Factual Dependants
<ul style="list-style-type: none"> <li>• <u>Children</u> <ul style="list-style-type: none"> <li>- Minor</li> <li>- Major</li> <li>- Illegitimate</li> <li>- Posthumously adopted</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Same sex partner</li> <li>• Parents</li> </ul>
<p><b>NB</b> – children are always considered Legally Dependent even though they may be self-supporting.</p>	<ul style="list-style-type: none"> <li>• Step-children</li> <li>• Foster children</li> <li>• Relatives</li> </ul>
<ul style="list-style-type: none"> <li>• <u>Spouse</u> <ul style="list-style-type: none"> <li>- Legal spouse by Civil Law</li> <li>- Divorced spouse, if member was liable for maintenance</li> <li>- Customary Union spouse</li> <li>- Asiatic religion spouse</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Others who can prove their factual dependency</li> </ul>
<ul style="list-style-type: none"> <li>• Any other person who is entitled to support due to the existence of a Legal order of Court or some other legal document.</li> </ul>	
Prospective Legal Dependants	Nominated Beneficiaries (Nominees)
<ul style="list-style-type: none"> <li>• An unborn child</li> </ul>	<ul style="list-style-type: none"> <li>• Church organization</li> </ul>
<ul style="list-style-type: none"> <li>• Fiancée</li> </ul>	<ul style="list-style-type: none"> <li>• Welfare organization such as the S.P.C.A.</li> </ul>
<ul style="list-style-type: none"> <li>• Any person that the member promised he would support or maintain</li> </ul>	<ul style="list-style-type: none"> <li>• A friend</li> <li>• Other family members</li> </ul>

## **SECTION E: BENEFICIARY NOMINATION**

### **To summarise:**

<b>DEPENDANT</b>	<b>NOMINEE</b>
The partner, child, or a person for whose maintenance the member is legally liable for <b>or</b> a person who was dependent on the member (whether or not there was a legal liability). The definition of dependent also includes a person whose maintenance a member would have become legally liable for, had the member not died	Any person, other than a dependant, that you nominate to receive benefits

### **Documentation:**

- Beneficiary Nomination Form

### **Employer:**

- Ensure that all employees who become members of the Fund complete a Beneficiary Nomination Form.
- Completed forms are to be kept on the member's personnel file with the employer.
- The form should be updated annually or at change of life event e.g. marriage, divorce, birth of child or death of spouse, child or dependent, etc.
- In the event of the member's death, the updated Beneficiary Nomination form, together with the claim documentation, is to be submitted to SALT Employee Benefits.

A copy of the "Beneficiary Nomination Form" may be found in Annexure A of this manual.

## **ANNEXURE A**

Refer to separate attachments:

1. Beneficiary Nomination Form
2. Member Benefit Claim Form
3. Disposal of Death Benefits Form
4. Family History Questionnaire
5. Disability Benefit Application Form
6. Contribution Template
7. Authorised Signatory Form
8. Bophelo Funeral Claim Form



## ANNEXURE B

### 1. General guidelines on the completion of the Member Benefit Claim form:

Name of employer	Insert the name of the Employer
Employee No	Insert the member's reference number
ID Number	The member's full id number is required
Member's Address	The member's postal and physical address to be inserted
Member's Tel No	Member's contact number to be inserted
Effective date of termination	Death: Actual date; Withdrawal / Retirement: End of the month in which last contributions were made
Date of last contribution	The final month in which contributions were deducted
Amount of last contribution	The final amount of contributions deducted
Annual taxable salary	The member's taxable salary is required for tax purposes
Type of Member Claim	Please tick one box only
Member payment options	Ensure that the relevant section(s) of the Member Benefit Claim form, depending on the payment options elected by the member, is completed full
Allowable deductions	In terms of the Pension Fund Act, a claim may be instituted against a member's benefit in the following circumstance: <ul style="list-style-type: none"> <li>➤ If a Home Loan / guarantee has been granted by the Fund</li> <li>➤ Divorce order</li> <li>➤ Maintenance order</li> <li>➤ Misconduct, theft, dishonesty and fraud if:</li> <li>➤ Judgment has been obtained against the member in any court including a magistrate's court</li> </ul>

## ANNEXURE B

	<ul style="list-style-type: none"><li>➤ It is important to note that only indebtedness in terms of Section 37D of the Pension Fund Act may be recovered from a member's Retirement Fund proceeds</li><li>➤ Alternative arrangements will need to be made to recover any indebtedness which does not fall within the parameters of Section 37D of the Pension Fund Act, directly from the exiting member</li></ul>
Benefit payment particulars	It is imperative that the banking details provided on the claim form is 100% correct as these details will be used in payment of the benefit
Declaration by member	The administrators will not finalise the claim without the Member Benefit Claim form bearing the member's signature
Declaration by employer	The authorised signatory, on behalf of the Employer should sign, date and stamp the completed Member Benefit Claim form. Any Member Benefit Claim form received by the administrators, which has not been duly signed, stamped and dated, will be returned to the employer for completion and will not be processed

## ANNEXURE B: SUMMARY OF CONTRIBUTION RATES

<b>Private Security Sector Provident Fund</b>			
	<b>Employee Contributions</b>	<b>Employer Contributions</b>	<b>Total</b>
Active contributing members	7.5%	7.5%	
Risk only member	2.5%	2.5%	5%
Members on unapproved leave	0%	2.5%	2.5%
Members on approved leave with pay	7.5%	7.5%	15%
Members on approved leave without pay	0%	5%	5%
Maternity leave	0%	15%	15%