SENTINEL
retirement fund

DEATH OF A MEMBER

Brochure – June 2026

Peace of mind through excellence

INTRODUCTION

This brochure provides an overview of the death benefits offered by the Sentinel Retirement Fund, including the types of benefits available, eligibility criteria, and the steps involved in claiming these benefits. It aims to assist members and their families in understanding how the process works and what to expect. Please take the time to read this brochure carefully and do not hesitate to contact the Fund should you require further information, assistance, or advice.

Please note that information in this brochure is a summary of the Rules of the Fund and does not create any rights and obligations. If differences or disputes arise, the Rules will prevail. The full set of Rules is available on the Fund's website and at its offices.

QUALIFICATION CRITERIA

A death benefit becomes payable when a member passes away, and the Fund has been notified of his/her death.

BENEFIT COMPOSITION

Death benefits will be based on the following:

CONTRIBUTING MEMBER

If a contributing member passes away while in the service of an employer, the death benefit will consist of the member's full Fund Credit (savings, vested and retirement components). Additional death cover will be added to the Fund Credit if the member participated in and contributed towards the Fund's death cover product until he/she passed away.

PAID-UP MEMBER

In the event of a paid-up member or a contributory member who did not participate in and contributed towards the Fund's death cover product passing away before retirement, his/her full Fund Credit (savings, vested and retirement components) become available for benefits.

BENEFITS THAT MAY BECOME PAYABLE CONSIST OF:

1

A MONTHLY PENSION

A monthly pension selected under the Fund's Pension Income Choice model will be provided to the surviving spouse(s) of the deceased member. This pension will be funded with at least 50% of the total value available for benefits.

PLUS

A

LUMP SUM BENEFITS from the remaining 50% of the total capital available will be paid to the deceased member's dependants, nominees, or the Estate. **SURVIVING SPOUSES** have the option to convert their allocated lump sum, or a portion of it, towards an increased monthly pension.

OR

B

If the deceased member was **NOT SURVIVED** by a spouse at the time of their passing, lump sum benefits from the **ENTIRE CAPITAL AVAILABLE** (100%) will be payable to the member's dependants, nominees, or the Estate.

IMPORTANT TO NOTE:
In the event of a **Pension-backed Home Loan Guarantee** having been issued on behalf of a member, the outstanding balance of the loan will be settled against the total available capital, and the balance remaining will determine death benefits.

LEGISLATION PROTECTS DEATH BENEFITS AND REGULATES PAYMENTS

Understanding Death Benefits and Their Implications on Estates

- Death benefits paid by retirement funds, either as a monthly pension or as a lump sum, do not form part of the Estate of the deceased. **Death benefits are therefore not subject to Estate Duty.**
- The **law of succession**, or inheritance as it is commonly referred to, **does not apply either.**
- Any allocation received by a person who is married in community of property is **excluded from the marital power** of his/her spouse and does not form part of their joint Estate.

SECTION 37C OF THE PENSION FUNDS ACT

Section 37C of the Pension Funds Act governs the distribution of death benefits paid by retirement funds. Below are some important points that are regulated by Section 37C.

TRUSTEES' RESPONSIBILITIES

The Trustees of the Fund are required to:

- **Identify and trace** dependants and nominated beneficiaries of deceased members and pensioners (and have a 'reasonable period'of 12 months to do so).
- **Make death benefit lump sum allocations** of death benefits on a fair and equitable basis, with priority given to financial dependents.
- Ensure **payment** of benefits accordingly.

SECTION 37C OF THE PENSION FUNDS ACT *(CONTINUED)*

ALLOCATION OF DEATH BENEFITS

The Act prescribes how death benefits should be allocated:

- If the Fund becomes aware of or traces dependants of the deceased within a 'reasonable period', the **benefit must be paid** to one or all such dependants, as is deemed equitable by the Trustees. The solvency level of the deceased Estate does not affect payments to dependants.

- If the deceased had **one or more dependants** and chose a nominee or multiple nominees in writing who is/are not dependant(s) to receive a portion of the benefit, the Fund will pay the benefit or portion thereof to such dependant(s) and/or nominees as is deemed equitable by the Trustees.

- If the Fund does not become aware of or cannot trace any dependants of the deceased within a 'reasonable period' following his/her death, and a nominee who is not a dependant has been **nominated in writing by the deceased**, the benefit or such part that has been specified by the deceased, shall be paid to the nominee. Such a nominee will only be entitled to payment if the Estate is solvent. In the event of the Estate being insolvent, the benefit will be applied to bring the Estate to solvency before payment can be made to nominees.

- The **Trustees are ultimately responsible and have sole discretion** to decide which beneficiaries will receive the benefit, and what portion will be allocated to each of them. The late member's valid nomination form will be used as an indication of his/her wishes, but the Fund will not be bound by this.

FACTORS CONSIDERED BY THE TRUSTEES

The Trustees of the Fund take the following factors into account:

- The age of the applicant.
- The applicant's relationship to the deceased.
- The extent of dependency on the deceased.
- The financial affairs of the dependant(s) or nominee(s).
- The future earning potential and prospect of the dependant(s) or nominee(s).

ELIGIBILITY AND EVIDENCE REQUIRED TO APPLY FOR DEATH BENEFITS

The Pension Funds Act prescribes the order in which benefit lump sums are awarded as such:

1. Dependants
2. Dependants and/or nominees
3. The Estate

The definitions of 'dependant' and 'nominee' within the Pension Funds Act clarify who may share in the lump sum death benefit, provided that their relationship with the deceased is verified and certain criteria are met. It is the responsibility of the applicants to prove their eligibility for a portion of the benefit.

ELIGIBILITY AND EVIDENCE REQUIRED TO APPLY FOR DEATH BENEFITS *(CONTINUE)*

Below are parties that may be possible beneficiaries and are required to provide the indicated evidence in support of their application to share in benefits:

PERSON	DEFINITION	EVIDENCE REQUIRED
SPOUSE(S)	A spouse is the person who qualified as a spouse at the date of death of the deceased and includes: A. legal spouse; or B. partner of a union according to customary law; or C. partner of union recognised as a marriage under any religion; or D. life partner in a relationship which the Trustees regard as having been permanent, provided that in making such determination the Trustees must have regard to whether there was, at the relevant date or dates, cohabitation as well as other factors which they, in their sole discretion regard as being relevant. Benefits will be distributed fairly among multiple spouses.	1. Documentary evidence must be submitted as proof of the marriage, union, or cohabitation. 2. Three affidavits must be submitted confirming the existence of a relationship intended to be permanent and involving cohabitation and that the member wholly or partially supported such a partner financially.
BIOLOGICAL MINOR CHILDREN	These are the members biological children who are younger than 18. The Trustees may insist that the benefits payable to minor children are held in trust until the child is emancipated.	1. Birth Certificate
BIOLOGICAL MAJOR CHILDREN	These are the members biological children who are older than 18. They can apply for a portion of the death benefit or waive their right to a benefit.	1. Identity documents or passports must be provided. 2. Detailed motivation and proof of financial dependency on the deceased must be supplied, as well as a completed income and expenditure form. 3. Completed waiver form (if applicable).

ELIGIBILITY AND EVIDENCE REQUIRED TO APPLY FOR DEATH BENEFITS *(CONTINUE)*

PERSON	DEFINITION	EVIDENCE REQUIRED
ADOPTED CHILDREN	These are legally adopted minor and major children who have the same legal standing as biological children (please refer to the above).	1. **Adoption papers must be provided** along with all the above-mentioned evidence required for biological children.
FOSTER OR STEPCHILD	Foster or stepchildren must prove factual dependency on the member at date of death.	1. **Three affidavits** must be submitted to support the extent and duration of the dependency on the deceased.
ILLEGITIMATE CHILDREN	Children are born from a relationship where the deceased and the biological mother were not married.	1. **Full birth certificate** stating both parents' names. 2. **Three affidavits** of which one is from the mother, confirming paternity of the deceased, and at least one from the deceased's family.
POSTHUMOUS CHILDREN	If the member passes away and leaves an unborn child, this child qualifies as a dependant upon his/her death.	1. **Birth Certificate** Once the child has been born, a birth certificate must be submitted.
LEGAL DEPENDANT	This is any person whom the late member was required to maintain. Besides spouses and minor children, this includes a former spouse, whom the late member was obliged to maintain, even if he/she was not complying with this obligation	1. **Divorce and/or Maintenance Order** All relevant legal documentation relating to the divorce or maintenance must be submitted, that is, marriage certificate, divorce order and/or maintenance order.
FACTUAL DEPENDANT	This is a person whom the deceased voluntarily supported financially and who was dependent on such maintenance. Maintenance for these purposes implies a regular and substantial financial support without which the claimant could not maintain a certain lifestyle.	1. **Three Affidavits** Where physical evidence is not available, three affidavits stating the extent and period of dependency must be submitted. At least one of the affidavits should be from the deceased's family.

CONTACT DETAILS

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