# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

## Please send your completed form to:

**Email:** info@sentinel.za.com

**Hand in:** at your nearest Client Service Centres situated in Sandton, Welkom, Klerksdorp, Carletonville and Witbank/Emalahleni.

| | |
|---|---|
| Industry / Participant Number (Pensioner) | Identity Number (Pensioner) |
| | |

## IMPORTANT: DOCUMENTARY REQUIREMENTS CHECKLIST

| | | |
|---|---|---|
| 1 | Copy of your Identity Document or Passport (Only if no identity document exists) | ☐ |
| 2 | Copy of your spouse / life partner's Identity Document or Passport (Only if no identity document exists) | ☐ |
| 3 | Copy of marriage certificate (if applicable). | ☐ |
| 4 | Proof of Tax Number (Payslip or IRP5). | ☐ |

**BENEFIT EFFECTIVE DATE** – The date for calculation purposes.

The pension elected shall take effect from the commencement of the next pay month following the date of election

# PENSION INCOME CHOICE IN A NUTSHELL

SENTINEL retirement fund

<table>
<tr><th>EVENT</th><th>QUALIFYING CRITERIA</th><th>BENEFIT DETAILS</th><th>OPTIONS</th><th>TAX TREATMENT</th></tr>
<tr>
<td><b>RETIREMENT</b><br><br>LEFT THE SERVICE OF THE EMPLOYER EITHER DUE TO:<br>• RESIGNATION<br>• RETRENCHMENT<br>• DISMISSAL<br>• RETIREMENT<br><br><b>Continue Reading:</b><br><br>Pension Income Choice Brochure<br><br>Two-Pot Retirement System Brochure</td>
<td>You are within 10 years from Normal Retirement Age (NRA), being the earliest retirement date (provided you are 50 years old), and any chosen later date, even if this date extends beyond NRA.<br><br>If you decide not to retire in the Fund, you may only retire with another service provider from age 55.</td>
<td>A retirement benefit consists of:<br><br><b>VESTED COMPONENT</b><br>A maximum one-third lump sum of the balance in this component may be selected. The remaining balance is added to the Retirement Component to provide for a monthly pension selected from the Sentinel Pension Income Choice model.<br><br><b>SAVINGS COMPONENT</b><br>The balance, or any part thereof at retirement, can be taken as a lump sum (together with a maximum one-third of the Vested Component), or be added to the Retirement Component to increase the amount available to provide for a monthly pension.<br><br><b>RETIREMENT COMPONENT</b><br>The full amount available at retirement in this component must be utilised to provide for a monthly pension.</td>
<td>After deciding on the value of lump sum required, you can sculpt the ideal monthly pension income from the Pension Income Choice model with the remaining capital.<br><br><b>Guaranteed Pension</b><br><br>The following applies:<br>• Pensions are guaranteed for the life of the pensioner and the spouse if provided for.<br>• Spouse pensions are provided at a level of 25%, 50%, 75% or 100%.<br>• A term certain guarantee of 5 to 25 years is selected to secure the payment of the pension should the pensioner die within the term certain period selected.<br><br>Annual pension increases are awarded at a minimum 80% of CPI, on a with ”profit” basis.<br><br><b>Flexible Pension</b> that provides for a self-managed pension with investment and income drawdown options.<br><br><b>Hybrid Pension</b><br>A combination of a guaranteed pension and a flexible pension</td>
<td>The amount taken as a lump sum from the Vested Component and or Savings Component at retirement will be taxed in terms of the Retirement Lump Sum tax table.<br><br>Monthly pensions are taxable and fall within the ambit of PAYE regulations.<br><br>
<table>
<tr><th>LUMP SUM VALUE</th><th>RATES OF TAX</th></tr>
<tr><td>R1 – R550,000</td><td>0%</td></tr>
<tr><td>R550,001 – R770,000</td><td>18% of the amount above R550,000</td></tr>
<tr><td>R770,001 – R1,155,000</td><td>R39,600 +27% above R770,000</td></tr>
<tr><td>R1,155,001 and above</td><td>R143,550+36% of the amount above R1,155,000</td></tr>
</table>
<br><b>Important:</b> The above tax tables are applied on a cumulative basis on the aggregate of retirement fund lump sum benefits accruing from October 2007, all retirement fund lump sum withdrawal benefits accruing from March 2009 as well as employer severance benefits accruing from March 2011.</td>
</tr>
</table>

**Your monthly pension will, therefore, be based on the balance of the Retirement Component, plus a minimum two-thirds of the balance in the Vested Component (the amount after a maximum one-third lump sum), plus any amount available in the Savings Component not taken as a lump sum.**

# PENSION INCOME CHOICE IN A NUTSHELL

**Sentinel offers a Pension Income Choice model to best suit your post-retirement income needs.**
**The following illustration briefly explains this product offering (after a lump sum commutation option has been exercised).**

## PENSION INCOME CHOICE OPTIONS

| Guaranteed Pension (Life Annuity) | Flexible Pension (Living Annuity) | Hybrid Pension (Combination Guaranteed and Flexible Pension) |
|---|---|---|
| • Lifelong guarantee for pensioner and, if selected their spouse(s)<br>**Choose between:**<br>• Single Life – No provision for a spouse.<br>• Spouse's annuity options: 25%, 50%, 75%, or 100%.<br>• Fixed-term guarantee options: 5, 10, 15, 20 or 25-years.<br>• With profit increases. | • Self-managed income and investment choice.<br>• Annual income draw-down rate between 2.5% and 17.5%.<br>• Choice of Member Investment portfolios.<br>• Option to convert to a Life Annuity later. | • Capital can be split in any proportion between a Guaranteed and Flexible Pension.<br>• Same features apply as under the Guaranteed Flexible Pension options. |

*A member who qualifies for retirement may, in respect of all or part of their Fund Credit (after payment of a lump sum), choose to purchase an annuity from a fund approved by the Revenue Authorities.*

**Sandton**: 5th Floor, 92 Rivonia Road, Wierda Valley, Sandton, 2196 | Toll-Free 0800 776 861
**Carletonville**: S Buys Office Park, Shop 10, Corner Kaolin and Radium Streets, Tel (011) 481 8290/1
**Klerksdorp**: 54 Buffelsdoorn Road, Wilkoppies, Tel (011) 481 8024/8 | **Welkom**: Shop 25, The Strip, 314 Stateway, Tel (011) 481 8025/6
**Emalahleni/Witbank**: WCMAS Building, Corner OR Tambo and Susanna Streets, Tel (011) 481 8295/6

# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

- *CONTINUED*

| | |
|---|---|
| Industry / Participant Number (Pensioner) | Identity Number (Pensioner) |
| | |

**IMPORTANT NOTICE:**

**THIS IS A ONCE OFF ELECTION AND THIS ELECTION WILL BE IRREVOCABLE.**

**The existing banking details on record will be used for paying the monthly pensions**

## A. PERSONAL DETAIL – ALL FIELDS TO BE COMPLETED

| | | |
|---|---|---|
| Title | Initials | Surname |
| | | |

Full Names (First Two Names in Full)

| | | | |
|---|---|---|---|
| 1 | | 2 | |

| | | | | |
|---|---|---|---|---|
| Identity \| Passport Number | | Gender | M | F |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Tax Number | | Birth Date | Y | Y | Y | Y | M | M | D | D |

## POSTAL ADDRESS

| | | |
|---|---|---|
| PO Box Number | Suburb, City or Town | Postal Code |
| | | |

## RESIDENTIAL ADDRESS

| | |
|---|---|
| House / Complex Number | Street Name |
| | |

| | | |
|---|---|---|
| Suburb | City | Postal Code |
| | | |

## CONTACT DETAILS

| | | | |
|---|---|---|---|
| Tel Number | | Mobile Number | |
| Email | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Please indicate the preferred method of communication | SMS | ☐ | Email | ☐ | Telephonic | ☐ | Postal | ☐ |

## MARITAL STATUS

| | | | |
|---|---|---|---|
| Have you been divorced before? | Y | N | |
| Are you aware of a divorce order in respect of an allocation of a portion of your Sentinel pension interest to your ex-spouse? | Y | N | |
| If yes, has this amount been paid to your ex-spouse? | Y | N | N/A |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Married | ☐ | Married But Separated | ☐ | Single | ☐ | Widowed | ☐ | Cohabiting Partner | ☐ |

# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

- *CONTINUED*

| | |
|---|---|
| Industry / Participant Number (Pensioner) | Identity Number (Pensioner) |
| | |

**IMPORTANT NOTICE:**

**By completing this section, you acknowledge that you accept that the person elected below is your spouse at application date and that you hereby instruct that a monthly pension become payable to this person in the event of your death.**

## B. DETAILS OF SPOUSE/LIFE PARTNER (IF APPLICABLE)

| | | |
|---|---|---|
| Title | Initials | Surname |
| | | |

Identity | Passport Number ______ Gender M F

Date of Birth Y Y Y Y M M D D

Please confirm whether your spouse/life partner on the date of your retirement is the same. Yes No

If your answer is **NO**, please provide the date of marriage / partnership. Y Y Y Y M M D D

## SECTION 1 CAPITAL CONVERSION OPTION

I elect for the Capital to be treated as follows (Tick the applicable block)

Convert the full available capital as indicated in Section 2 ☐

OR

I elect to convert R ______ , ______ of the available capital as indicated in Section 2.

## SECTION 2 GUARANTEED PENSION (LIFE ANNUITY)

### (A) PENSION OPTIONS FOR PENSIONERS WHO WANT TO PROVIDE FOR A SPOUSE

PLEASE INDICATE YOUR SELECTION BY MARKING ONE OF THE FOLLOWING (Tick Applicable Block)

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Term Certain Guarantee | 5 Years | ☐ | 10 Years | ☐ | 15 Years | ☐ | 20 Years | ☐ | 25 Years | ☐ |

| | | | | | |
|---|---|---|---|---|---|
| **25%** | Spouse pension after completion of term certain guarantee period | ☐ | **50%** | Spouse pension after completion of term certain guarantee period | ☐ |
| **75%** | Spouse pension after completion of term certain guarantee period | ☐ | **100%** | Spouse pension after completion of term certain guarantee period | ☐ |

### (B) PENSION OPTIONS FOR PENSIONERS WITH NO SPOUSE OR WHO DO NOT WANT TO PROVIDE FOR A SPOUSE

PLEASE INDICATE YOUR SELECTION BY MARKING ONE OF THE FOLLOWING (Tick Applicable Block)

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Term Certain Guarantee | 5 Years | ☐ | 10 Years | ☐ | 15 Years | ☐ | 20 Years | ☐ | 25 Years | ☐ |

# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

\- *CONTINUED*

| Industry / Participant Number (Pensioner) | Identity Number (Pensioner) |
|---|---|
| | |

**ONLY COMPLETE THIS SECTION IF NOT ALL THE CAPITAL IS BEING CONVERTED.**

## INDIVIDUAL INVESTMENT CHOICE

| | PORTFOLIO (Select at least one) | COMMENT | % ALLOCATION | | | | |
|---|---|---|---|---|---|---|---|
| ☐ | **Wealth Builder** | You may elect to invest all, or a portion of, your Flex Annuity Capital in ONE of these portfolios. You may also elect not to invest in any of these four portfolios by leaving it blank. | | | | % | 0-100% |
| ☐ | **Inflation Protector** | | | | | % | 0-100% |
| ☐ | **Pension Protector** | | | | | % | 0-100% |
| ☐ | **Shari'ah** | | | | | % | 0-100% |
| ☐ | **Money Market** | You may elect to invest all, or a portion of, your Flex Annuity Capital in this portfolio. You may also elect not to invest in this portfolio by leaving it blank. | | | | % | 0-100% |
| | | THE TOTAL OF YOUR PERCENTAGE ALLOCATIONS MUST EQUAL 100% | | | | % | 0-100% |

Signature

**Electronic signatures are not** permitted to be used on this Application Form.

Date

Y Y Y Y M M D D

# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

- *CONTINUED*

| Industry / Participant Number (Pensioner) | Identity Number (Pensioner) |
|---|---|
| | |

## <u>DECLARATION:</u> CONVERSION OF FLEX PENSION (LIVING ANNUITY) TO GUARANTEED PENSION (LIFE ANNUITY)

1. **General Acknowledgement**
   - I confirm that I have read and understood the relevant brochure and explanatory material, including the nature, terms, and implications of converting my Flex Pension (Living Annuity) to a guaranteed pension (Life Annuity).
   - I confirm that I have had access to benefits counselling and that I have had the opportunity to obtain independent financial advice.

2. **Understanding of the Conversion and Applicable Rules**

   **I understand and acknowledge that:**

   a. My application may be **rejected or delayed if the prescribed form is not properly completed or if all required supporting documentation is not submitted.**

   b. A guaranteed pension (Life Annuity) provides an income in accordance with its terms and conditions and, once elected and implemented, the decision is irrevocable.

   c. The conversion of my Flex Pension (Living Annuity) to a guaranteed pension (Life Annuity) will be effected in accordance with the Rules of the Fund and applicable legislation.

   d. Where applicable, the commutation of any portion of my benefit for a lump sum is subject to the Fund’s Rules, prevailing legislation, and income tax practice.

   e. Any optional benefits selected (including, where applicable, guarantee terms or spouse’s pension options) form part of my binding election and cannot be amended once implemented.

   f. All options exercised by me are subject to the Rules of the Fund and applicable legislation.

3. **Member Responsibilities**

   **I acknowledge that it is my responsibility:**

   a. To ensure that I fully understand the options available to me and their financial and legal consequences;

   b. To obtain advice from a duly authorised financial adviser or intermediary should I require assistance;

   c. To ensure that the options selected in the application form reflect my true intention;

   d. To provide complete and accurate information. Any misrepresentation or failure to disclose material information, including matters relating to divorce, maintenance, civil and/or criminal proceedings, may result in appropriate legal action. The Fund shall not be liable for any loss suffered as a result of incorrect, incomplete, or misleading information provided by me.

   e. To satisfy myself that my financial adviser, if appointed, is duly authorised in terms of applicable legislation. I acknowledge that the Fund cannot be held liable for any loss arising from inappropriate or incomplete advice provided by my adviser.

| Industry / Participant Number (Pensioner) | Identity Number (Pensioner) |
|---|---|
| | |

## DECLARATION: CONVERSION OF FLEX PENSION (LIVING ANNUITY) TO GUARANTEED PENSION (LIFE ANNUITY) - CONTINUED

4. **Finality of Election**

   **By signing this declaration:**

   - I acknowledge that the Fund is entitled to rely on my written election.
   - Once the Fund has implemented my instruction to convert my Flex Pension (Living Annuity) to a guaranteed pension (Life Annuity), I may not revoke, amend, or reverse this election.
   - I understand that the implementation of my election constitutes full and final settlement of the benefit to which I am entitled under the Fund in respect of this conversion.

5. **Waiver and Confirmation**

   **By signing this declaration:**

   - I confirm that I have been informed of, and understand, the consequences of my elections.
   - I acknowledge that a change in my personal or financial circumstances after the date of election will not affect the validity of my decision.
   - I confirm that I sign this document voluntarily and without duress.

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Signed on this | | Day of | | 2 | 0 | | at | |

Signature

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# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

- *CONTINUED*

Industry / Participant Number (Pensioner)

Identity Number (Pensioner)

## NOTES ON COMPLETING THE NOMINATION FORM

**Please note the following important information before completing your nomination form**:

1. This nomination only applies to lump sum death benefits payable in terms of the Rules of the Fund when and if applicable. Death benefits are awarded and paid in terms of sect.37C of the Pension Fund Act to dependants, nominees or your Estate.
2. The Pension Funds Act defines a "dependant" as:
    - 2.1. A person to whom the pensioner is legally liable for maintenance; or
    - 2.2. A person who is in fact, based on tangible evidence subject to the consideration of the Trustees, dependent on the pensioner for maintenance; or
    - 2.3. The legal spouse of the pensioner and life partnership of a permanent nature.
    - 2.4. Biological/legally adopted children of the pensioner including major children; or
    - 2.5. A person to whom the pensioner would have been legally liable for maintenance had he/she not died.
3. It is vital that the Trustees are informed of all persons who fall in the category of "Dependants". If they do not have this information, there could be a considerable delay in determing and validating dependants before benefits can be paid.

   You must list all 'dependants' in this in this nomination form irrespective of whether they are dependent on you or not. Should you not wish for them to receive in a portion of the benefit simply write 000 % next to such person(s) name(s) and provide motivation to support your wishes.
4. You may nominate one or more persons to receive a portion of, or the whole of, any benefit payable upon your death. Such a person are referred to as *nominees* and are persons who are not dependants, nor financially dependent on you, but whom you wish to include as potential recipients of the death benefit.
5. If you feel that the benefit should be managed or protected on behalf of a beneficiary who is incapable of taking care of his/her own affairs, a beneficiary fund can be nominated to administer and manage the benefit on such beneficiaries behalf.
6. If you are not survived by dependants and your Estate is insolvent, the Fund will bring your Estate to solvency before making any payment to the nominees.
7. Current tax legislation will be applicable, and benefits may be subjected to tax, in the hands of the deceased pensioner who provided for a death benefit lump sum.
8. The nomination is made, acknowledging that:
    - 8.1. It is not binding on the Fund;
    - 8.2. It may be changed at any time by the pensioner who provided for the benefit;
    - 8.3. If any dependant or nominee should predecease you, their estate or heirs will not be entitled to claim a benefit, or portion thereof.
9. **PLEASE COMPLETE THIS FORM AND ENSURE THAT THE % OF BENEFIT COLUMN ADDS UP TO 100%.**

If required, additional pages may be added to the nomination but **must** be dated and signed.

Signature

Electronic signatures are not permitted to be used on this Application Form.

Date

Y Y Y Y M M D D

# PENSIONER NOMINATION FORM

**APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)** *(CONTINUED)*

SENTINEL retirement fund

| | | | |
|---|---|---|---|
| Industry / Participant Number (Pensioner) | | Identity Number (Pensioner) | |

## 1. DEPENDANTS & NOMINEES

| | Initials and Surname | Date of Birth | Relationship to Pensioner | Tel No. | Is This Person Dependant on You? | | % of Benefit | Beneficiary Fund Required | |
|---|---|---|---|---|---|---|---|---|---|
| 1. | | YYYYMMDD | | | Y | N | % | Y | N |
| 2. | | YYYYMMDD | | | Y | N | % | Y | N |
| 3. | | YYYYMMDD | | | Y | N | % | Y | N |
| 4. | | YYYYMMDD | | | Y | N | % | Y | N |
| 5. | | YYYYMMDD | | | Y | N | % | Y | N |
| 6. | | YYYYMMDD | | | Y | N | % | Y | N |
| 7. | | YYYYMMDD | | | Y | N | % | Y | N |
| 8. | | YYYYMMDD | | | Y | N | % | Y | N |

## 2. DETAILS OF ALTERNATIVE BENEFICIARIES

In the event that the abovementioned person(s) pre-decease you please provide alternative persons/institutions that must be considered to share in your death benefit

| | Initials and Surname | Date of Birth | Relationship to Pensioner | Tel No. | Is This Person Dependant on You? | | % of Benefit | Beneficiary Fund Required | |
|---|---|---|---|---|---|---|---|---|---|
| 1. | | YYYYMMDD | | | Y | N | % | Y | N |
| 2. | | YYYYMMDD | | | Y | N | % | Y | N |
| 3. | | YYYYMMDD | | | Y | N | % | Y | N |
| 4. | | YYYYMMDD | | | Y | N | % | Y | N |

Signature

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Date

Y Y Y Y M M D D

# APPLICATION TO CONVERT FLEXIBLE PENSION (LIVING ANNUITY) TO A GUARANTEED PENSION (LIFE ANNUITY)

- *CONTINUED*

## PENSIONER NOMINATION FORM - *CONTINUED*

| | |
|---|---|
| Industry / Participant Number (Member) | Identity Number (Member) |
| | |

**Comments/Motivation**: Additional pages may be attached if required and must be dated and signed

I request that the Trustees pay the amount which may become payable from the Fund as a result of my death, to the persons mentioned above subject to the provisions of the Rules of the Fund and the provisions of Section 37C of the Pension Funds Act. I also realise that in certain circumstances the Trustees of the Fund will have the discretion to ignore my request for the sake of equity and reasonableness in the disposal of such benefit. This nomination revokes and replaces all previous nominations made by me.

***NOMINATIONS SHOULD BE REVIEWED REGULARLY!***

Signature

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Date

Y Y Y Y M M D D

**Sandton**: 5th Floor, 92 Rivonia Road, Wierda Valley, Sandton, 2196 | **Toll-Free** 0800 776 861
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