



**FREQUENTLY ASKED QUESTIONS  
ON DIVORCE MATTERS AND THE ADMINISTRATION THEREOF IN GEPF**

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**1. Does my pension interest in GEPF form part of my assets for purposes of divorce?**

Depending on the nature of the marriage, the court may make a ruling as to how the assets shared in the marriage, such as for example a house, vehicles and the like be divided between the parties.

The question is whether the pension interest of any party to the divorce forms part of the assets? The answer is: yes. The Divorce Act 70 of 1979 (Divorce Act) determines that the pension interest of each party forms part of the assets that a court may divide in dissolving the marriage - the only marriages excluded from this provision are marriages out of community of property entered into on or after 1 November 1984 in terms of an antenuptial contract by which community of property, community of profit and loss and the accrual system are excluded.<sup>1</sup>

**2. What is a "settlement agreement" or a "settlement agreement made order of court"?**

A summons must be issued by the party (Plaintiff) desiring a divorce and served on the other party to the marriage (Defendant). Attached to the summons will be what is referred to as a *particulars of claim*, which amongst other things, sets out the relevant facts upon which the action for divorce is based and also the orders (prayers) which the party desires the court to grant.

The party starting the proceedings is called the Plaintiff. The other party is called the Defendant. The Defendant may choose to oppose the matter by filing a *notice to defend* as well as a *plea*, or may choose not to defend the matter. The court will then decide on the matter after it has been heard (whether defended or not defended) on a date set by the court.

The parties may also reach a settlement agreement before the court makes a final order and ask the court to make it an order of court. It is important to understand that in some instances there will be no settlement agreement as the parties failed to settle. If the parties fail to settle, the court decides on its own what the terms of the divorce will be and gives a court order to that effect. However, in many instances the parties would have settled and in such an event the practice is to ask the court to make the settlement agreement an order of court. The court order will then incorporate the settlement agreement as an order of court.

**3. What precisely is pension interest?**

The legal term used for a party's value in the pension fund for purposes of divorce, is *pension interest*. The Divorce Act defines pension interest and the (a) part of the definition applies to GEPF. In simple terms, for our purposes, *pension interest* is equal to the benefit that a member would have received had he or she **resigned** on date of divorce. (If you resign from your employer and you are a member of GEPF, you will receive a lump sum that you may either transfer to an approved retirement fund or take cash.)

So, in order to calculate *pension interest*, one must apply the rules of the pension fund applicable to resignation. Rule 14.4.1 of GEPF's rules regulate the benefits payable on resignation. A member who resigns is entitled to a gratuity or transfer benefit calculated as follows: 7.5% of his or her final salary multiplied by the period of his or her pensionable service, and increased by ten percentage points for each full year of pensionable service between five and 15 years.

**4. How do I calculate the value of the pension interest assigned by a court to a party?**

The pension interest is equal to the resignation pension benefit that the member would have received had he or she resigned on date of divorce - see explanation in **question 3** above. Rule 14.4.1 of the rules to the Government Employees Pension Law, Proclamation 21 of 1996, provides the formula to determine the resignation benefit. If you want to calculate the pension interest owing to a former spouse, please follow the steps as set out in **question 21** below. Please note that pension interest estimations are not provided by the administration and instead you are requested to please follow the steps as set out in **question 21**.

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<sup>1</sup> See section 7(7) of the Divorce Act.

**5. What do you mean when you say that GEPF is a *defined benefit fund*, as opposed to a *defined contribution fund*?**

GEPF is a defined benefit fund, not a defined contribution fund. This means that benefits are calculated using fixed formulas, based on length of service and final salary, as defined. For example, a member who resigns is entitled to a gratuity or transfer benefit calculated as follows: 7.5% of his or her final salary multiplied by the period of his or her pensionable service, and increased by ten percentage points for each full year of pensionable service between five and 15 years.

Therefore, unlike a defined contribution fund, the benefit eventually payable to a member is not the sum of contributions made by a member, plus growth. There is, accordingly, no ring-fenced amount per member in GEPF. All contributions made to GEPF go into a collective pool from which benefits are paid out according to a formula per member when the member exits.

When GEPF pays the divorce interest on behalf of a member to a former spouse, the amount paid cannot therefore be subtracted from the "member's money/savings" in GEPF, as no member has any amount of money in GEPF specifically allocated to him or her.

**6 What is the clean break principle?**

Previously, if you divorced, you would only receive your divorce pension interest, awarded by the court to you, when your ex-spouse resigned, retired or was dismissed. Years could go by before you would receive any pension money and often this money was desperately needed after the divorce. The Government Employees Pension Law, Proclamation 21 of 1996 (GEP Law) and rules were therefore amended to provide for what is called the *clean break* principle. The clean break principle allows for the payment of the portion of the pension interest allocated by the court, directly after the divorce, to a non-member spouse – not when the member eventually exits. Payment of the portion of the pension interest allocated by the court must therefore now be made by GEPF as soon as practically possible after the issuing of the divorce order and not on the exit of the member from the Fund, as was the position before the amendment of the GEP Law and rules.

**7. Does the clean break principle also apply to the Associated Institutions Pension Fund (AIPF) and the Temporary Employees Pension Fund (TEPF)?**

The clean break principle does not apply to the AIPF or the TEPF. The necessary law changes will be made in due course to make sure that clean break principle also applies to the AIPF and the TEPF.

**8. What do you mean by an endorsable and a non-endorsable divorce order?**

Not all divorce orders can be enforced against GEPF. Put differently, only those court orders which comply with the Divorce Act and which instruct GEPF to make payment to the former spouse, empower GEPF to make payment to a former spouse - if not, GEPF will pay the full pension benefit to the member and the latter will then have to pay the former spouse. Often divorce orders are obtained in court which do not comply with the Divorce Act and/or which do not require GEPF to make payment to the former spouse. These are referred to as non-endorsable divorce orders.

As stated, in order to be binding, the court order must comply with the Divorce Act, and specifically section 7(8) of the Divorce Act. Often parties fail, for example, to state that the pension fund is GEPF or they fail to properly determine which portion of the pension interest is payable to the former spouse. These orders are non-endorsable.

Where a court order merely states that the member will pay the former spouse, then the court order applies *inter partes* (between the member and the former spouse) and GEPF will pay the member the full pension benefit. The member must then pay the former spouse the portion of the pension interest allocated by the court.

**9. Where may I direct any enquiries?**

You may contact the call centre on 0800 117 669 or send an e-mail to legal@gpaa.gov.za.

**10. Which documents must be submitted in support of the application for the payment of the portion of the pension interest, allocated by the court?**

The document submission process has two steps. **Firstly**, we request a certified copy of the final divorce order and settlement agreement (if applicable), together with a certified copy of the marriage certificate. The divorce order and settlement agreement will be evaluated and only if we are certain that the matter requires endorsement (i.e. that the Fund is obliged to pay the portion of the pension interest allocated by the court to the non-member spouse - see **question 8** above) do we send out a choice form to the non-member spouse. Only when we have received the original certified copy of the final divorce order and settlement agreement, together with a certified copy of the marriage certificate, and we are satisfied that we must endorse, do we send the **choice form** out to the non-member spouse. The non-member spouse will confirm his or her banking details, his or her choice (to transfer the portion of the pension interest allocated by the court to an approved retirement fund or to receive it in cash), as well as the relevant information of the approved retirement fund, if applicable, using the choice form. The non-member spouse must also attach a **certified ID copy** (not older than six months), **a certified copy of the document containing his or her SARS income tax number**, such as correspondence from SARS or a salary slip to the choice form. (If the non-member spouse has passed away, we require a **letter of executorship**, the **estate late bank account details in the name of the non-member spouse (must be on a Z894 GEPF bank form)** and **certified ID copies of the non-member spouse and the executor**, as well as the tax number of the non-member spouse.)

Failure to submit the necessary documents, properly certified, will delay payment.

To sum up, the following documents must be submitted by post:

Firstly:

- 10.1 Certified copy of divorce order;
- 10.2 Certified copy of settlement agreement, if one was reached. (**See question 2 above**);
- 10.3 Certified copy of the marriage certificate; and
- 10.4 A covering letter, providing full contact details, cell number, telephone number and e-mail address.

Posted to: **Clean Break Unit, Government Pensions Administration Agency, Private Bag X63, Pretoria, 0001.**

Secondly, if GEPF has ruled that it is bound by the divorce order, and sends you a choice form, you must submit, by post:

- 10.5 A completed choice form;
- 10.6 A certified ID copy, certification not older than six months;
- 10.7 A certified copy of a document providing proof of tax number;
- 10.8 If the non-member spouse has passed away, we require a letter of executorship, the estate late bank account details in the name of the non-member spouse (must be on a Z894 GEPF bank form) and certified ID copies of the non-member spouse and the executor, as well as the tax number of the non-member spouse.

Posted to: **Clean Break Unit, Government Pensions Administration Agency, Private Bag X63, Pretoria, 0001.**

**11. If the non-member spouse is not working, what should be done in relation to the requirement of a tax number?**

All non-member spouses must register with SARS. If a non-member spouse therefore does not have a tax number, he or she must first go to a SARS office and obtain a tax number.

**12. What happens if the member dies after the non-member spouse has applied for his/her portion of the pension interest?**

The matter is dealt with as normal and the non-member spouse will be paid his or her portion before any beneficiary is paid.

**13. Will the member have to repay the portion of the pension interest allocated by the court and paid to the former spouse?**

Yes. It is very important to understand that the member will now owe GEPF the amount paid to the non-member spouse and that this amount will also accrue interest. This is so because GEPF paid, on the member's behalf, the debt he or she owes to the non-member spouse. Where GEPF pays the portion of the pension interest allocated by the court to the non-member spouse it's funding is reduced and it loses the growth on the money paid.

It is extremely important that members should try to pay off the debt immediately. Otherwise the member may end up having very little pension money, if any, left over when he or she exits GEPF because the debt has been accruing interest and will be subtracted from any pension benefits payable on exit.

GEPF is a defined benefit fund, not a defined contribution fund - **see question 5 above**. This means that benefits are calculated using fixed formulas, based on length of service and final salary, as defined. Therefore, unlike a defined contribution fund, the benefit eventually payable to a member is not the sum of contributions made by a member plus growth. There is no ring-fenced amount per member in GEPF.

Where a divorce order declares that a portion of a member's pension interest be paid to the former spouse, GEPF is **obliged** to pay the said portion awarded to the former spouse. It has no discretion in the matter - by order of court and by law, as passed by Parliament.

Where GEPF is required to pay a portion of the pension interest to the former spouse, it is settling a debt on behalf of the member. This debt must be repaid by the member as GEPF is out of pocket and is losing income on the money paid. The member is not obliged to immediately repay GEPF. He or she may choose not to. Then interest will run on the debt amount and this interest will be deducted, along with the debt, from the eventual pension benefit payable to the member. If the member immediately pays the debt, the member will receive his or her full pension benefit at exit. The member will also have saved on the interest.

If the amount of the divorce debt exceeds the amount of the gratuity (lump sum) and there is an annuity (monthly pension) payable to the member on exit, then the divorce debt must be recovered from the gratuity and annuity and the gratuity and annuity be reduced *pro-rata*.

**14. How do I arrange for the repayment of the divorce debt?**

You may contact Ms Letha Myburg on (012) 319 1040 or send an e-mail to lee-ann.theron@gpaa.gov.za.

There is no limit on the time you may take to repay your debt, although it must be paid when you exit GEPF. Any amount may be repaid per month, but this will only make financial sense if it is more than the interest per month and reduces the capital amount.

**15. As soon as the non-member spouse has been paid his or her portion of the pension interest, a debt is registered against the member spouse, against which interest runs. What is the rate of interest?**

The rate of interest is repo plus 3 (presently 8%). The rate is therefore not fixed and changes when the repo rate changes. The interest is compounded.

**16. May a member spouse choose to have his or her years of pensionable service reduced instead of accruing a debt?**

No. The GEP Law and rules make no provision for this.

**17. If I am a member of GEPF, is GEPF obliged to inform me that it is going to pay my former spouse?**

By law there is no obligation on GEPF to inform the member that the portion of the pension interest allocated to the spouse will be paid to the former spouse. This is so because the member is aware of the divorce order and because the clean break principle (see **question 6** above) was introduced by legislation in Parliament. The employer and unions have also been informed of the clean break principle.

**18. How long will it take for me to be paid my portion of the pension interest as the non-member spouse?**

GEPF must provide the member with a choice form within 45 days of receiving the divorce order. GEPF then has 60 days to pay from receiving the choice form and all other relevant documentation.

It is impossible to provide specific time frames for payment. GEPF has 60 days to pay the non-member spouse from date of receipt of the duly completed choice form. Payment may take as long as 60 days from said date and GEPF must pay interest for every day that payment is late. If a payment has exceeded the 60 day period, GEPF will automatically add the necessary interest. If GEPF is provided with incorrect information, or all the necessary documents are not attached, payment will be delayed. Please ensure that you carefully follow every step set out in **question 10**.

**19. May I transfer my portion of the pension interest allocated by the court to an approved retirement fund, or will it be paid out in cash?**

The non-member spouse may receive the pension interest owing to him or her in two ways. The non-member spouse may choose to either:

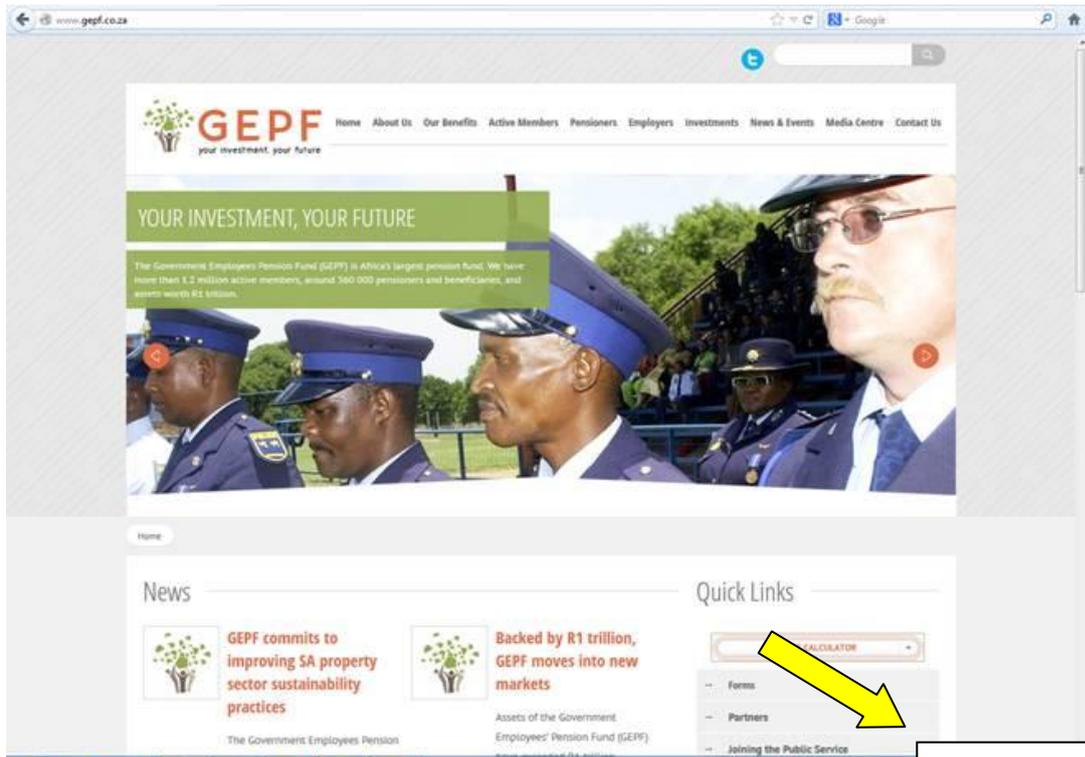
1. Have the portion of the pension interest allocated by the court paid directly to him- or herself; or
2. Have the portion of the pension interest allocated by the court transferred to an approved retirement fund on his or her behalf.

**20. How does tax on the portion of the pension interest allocated by the court work?**

If the parties were divorced on or after 13 September 2007, the non-member spouse will be taxed in his or her own right. If the parties were divorced before 13 September 2007, only the member spouse is taxed. However, should a non-member spouse owe the South African Revenue Service (SARS) any tax, this will be deducted from the benefit by SARS, regardless of whether the parties divorced before or after 13 September 2007.

**21. How do I calculate the value of my portion of the pension interest allocated by the court?**

1. Access GEPF's website at [www.gepf.co.za](http://www.gepf.co.za)
2. Click on "BENEFITS CALCULATOR".



Benefit Calculator

3. Insert the GEPF member's initials, surname and date of birth. Complete the "Calculation type" field by choosing "Divorce calculations" from the drop down list.

clear help

Initials

Surname

Date of birth

Accept [terms and conditions](#)  [reset all](#) [clear all](#)

Calculation type

DISCLAIMER : All the amounts in the calculator are merely quoted amounts which are subject to change. The provision of this tool in no way represents a guarantee that the GEPF will grant or pledge the amount/s quoted and does not constitute an agreement to pay the quoted amount/s or bind the GEPF in any respect. This calculator is only provided for your convenience and to provide you with estimates. You should request formal confirmation of the results from the GEPF before placing any reliance thereon. In addition, because the results depend on information inputted by you, we shall not be liable for any loss or damage which you may suffer if you rely on the results.

4. A new field will appear into which you must populate the following information:
  - 4.1 Percentage of the portion of the pension interest allocated by the court according to the final order or settlement agreement;
  - 4.2 Member's date of birth;
  - 4.3 Member's service date (start of contributions to GEPF);
  - 4.4 Marriage date;
  - 4.5 Divorce date; and
  - 4.6 Final salary (a member's average pensionable emoluments during the last 24 months of his or her pensionable service, or during the whole period of such service, whichever period is shorter.)

The screenshot shows a web browser window with the URL <https://online.gepf.co.za/portal/page/portal/gepf.benefitCalculator/gepf.benefitCalculator>. The page contains a form for calculating benefits. The form fields are: Initials, Surname, Date of birth, Percentage Allocation, Member's date of birth, Member's service date, Marriage date, Divorce date, and Final annual salary (0.00). There are 'clear' and 'help' links at the top right. A 'Calculate Benefit' button is at the bottom. A disclaimer is at the bottom of the form.

**DISCLAIMER:** All the amounts in the calculator are merely quoted amounts which are subject to change. The provision of this tool in no way represents a guarantee that the GEPF will grant or pledge the amount/s quoted and does not constitute an agreement to pay the quoted amount/s or bind the GEPF in any respect. This calculator is only provided for your convenience and to provide you with estimates. A request should be made for a formal confirmation of the results from the GEPF before placing any reliance thereon. In addition, because the results depend on information inputted by the user and the information available at the date and time of the amount/s quoted, we shall not be liable for any loss or damage which you may suffer if you rely on the results.

5. Once you have completed the form, click on "Calculate Benefit". Please note that if the divorce order stipulates that it applies only for the duration of the marriage, then the marriage date must be completed. If it is stipulated that calculation should be done until date of divorce, or if there is no indication of any dates in the final order, or in the settlement agreement, the marriage date must be cleared and not completed.
6. For additional information on divorce calculations and a manual on the benefit calculator, please access the "help" link on the top right hand side of the calculation panel.
7. Please note that all calculations are provisional and subject to final audit. The calculations in no way bind GEPF.

**22. May I transfer my pension divorce benefit back into GEPF?**

No. The GEP Law and rules do not provide such an option.

**23. Which law regulates the portion of the pension interest in GEPF allocated by the court?**

The Government Employees Pension Law, Proclamation 21 of 1996 and rules thereto regulate GEPF. Specifically section 24A and rule 14.10, as read with the provisions of the Divorce Act, regulate the portion of the pension interest allocated by the court. We herewith quote for your convenience the relevant definitions in the GEP Law and rules, as well as section 24A and rule 14.10:

Relevant definitions from GEP Law:

**'pension interest'**, in relation to a member of the Fund who is a party to an action for divorce or for the dissolution of a customary marriage, means the benefits to which that member would have been entitled in terms of the rules of the Fund if the member's membership of the Fund were to be terminated on the date of the divorce or the dissolution of a customary marriage on account of the member's resignation from the service of the employer;

Section 24A of the GEP Law

**24A Payment of pension interest upon divorce or dissolution of customary marriage**

- (1) The Board shall direct the Fund to reduce a member's pension interest by any amount assigned from the member's pension interest to the member's former spouse in terms of a

decree of divorce granted under section 7 (8) (a) of the Divorce Act, 1979 (Act 70 of 1979), or a decree for the dissolution of a customary marriage.

- (2) (a) Subject to paragraph (j), for purposes of section 7 (8) (a) of the Divorce Act, 1979 (Act 70 of 1979), the portion of a member's pension interest assigned to the member's former spouse in terms of a decree of divorce or a decree for the dissolution of a customary marriage is deemed to accrue to the member on the date on which the decree of divorce or the decree for the dissolution of a customary marriage is granted.
- (b) The amount of the member's pension interest in the Fund shall be determined and the amount of the member's pension interest that is assigned to the former spouse shall be calculated by the Fund in accordance with the rules as at the date of the decree of divorce or the decree for the dissolution of a customary marriage.
- (c) Prior to determining the amount of the member's pension interest that is assigned to the former spouse, the amount of the member's pension interest referred to in paragraph (b) shall first be reduced in accordance with the rules by any amount of the member's pension interest which, in a previous divorce or a previous dissolution of a customary marriage, was paid over or awarded to another party.
- (d) The amount of any pension benefit that is subsequently payable to the member in terms of the rules will be reduced by the equivalent of the amount of the share of the pension interest of the member which-
- (i) was deemed to accrue to the member as a benefit in advance of the benefit ordinarily payable in terms of the rules; and
  - (ii) was assigned to the member's former spouse, less the amount of any additional voluntary contributions, if any, paid by the member to the Fund from time to time, and accumulated over the period from the date on which payment to the former spouse or transfer to the approved fund as referred to in paragraph (e) took place to the date on which the member first became entitled to a part or the whole of the balance of the benefit, with interest as the Board from time to time deems appropriate.
- (e) The Fund shall, within 45 days of the submission of the court order by the former spouse of a member, request the former spouse to elect whether the amount to be deducted must be-
- (i) paid directly to the former spouse; or
  - (ii) transferred to an approved retirement fund on behalf of the former spouse.
- (f) The former spouse shall, within 120 days of being requested to make a choice-
- (i) inform the Fund of the manner in which the amount referred to in paragraph (e) must be dealt with; and
  - (ii) if the former spouse chooses that the amount must be paid to the former spouse directly, provide the Fund with the details that are necessary to effect the payment; or
  - (iii) if the former spouse chooses that the amount must be transferred to an approved pension fund on his or her behalf, provide the Fund with the details of that approved retirement fund.
- (g) The Fund shall pay or transfer the amount within 60 days of being informed of the manner in which the amount shall be dealt with in accordance with the former spouse's choice.
- (h) In the event that the former spouse fails to make a choice or identify the approved retirement fund to which the amount should be transferred within the period referred to in paragraph (f), the Fund shall pay the amount directly to the former spouse within 30 days of the expiry of that period.
- (i) Despite paragraph (h), in the event that the Fund cannot reasonably ascertain the manner in which the payment to the former spouse shall be effected, the Fund shall retain the amount plus interest as determined by the Board in the Fund, until such time as details of the manner in which that payment shall be effected is made available to the Fund by the member, the former spouse or any other

person whom the Fund is satisfied has the necessary authority and capacity to instruct the Fund in that respect.

- (j) Any portion of a member's pension interest assigned to a former spouse in terms of a decree of divorce or a decree for the dissolution of a customary marriage granted prior to the enactment of this subsection shall, for purposes of any law other than the Income Tax Act, 1962 (Act 58 of 1962), including, but not limited to, section 7 (8) (a) of the Divorce Act, 1979 (Act 70 of 1979), be deemed to have accrued to the member on the date of enactment of this subsection, and must be paid or transferred in accordance with paragraphs (a) to (i).

Relevant definitions from the rules to the GEP Law:

**'divorce'** means the termination of a marriage or the dissolution of a customary marriage or civil union between a member of the Fund and another person by order of court;

**'divorce debt'** in relation to a member means an amount equivalent to the amount of the pension interest assigned to the member's former spouse in terms of a divorce order or decree of dissolution of marriage accumulated from the date of payment to the former spouse to the date on which a benefit is paid to the member in terms of the rules together with the interest from the date of payment to the former spouse at the rate or rates determined from time to time by the Board as the rate or rates of interest payable in respect of monies owed to the Fund;

**'divorce order'** means an order for the divorce of a member in terms of which a share of a member's pension interest in this Fund is assigned to the member's former spouse;

**'former spouse'** means the person from whom a member is divorced in terms of a divorce order;

**'former spouse's share'** means an amount equal to the share of a member's 'pension interest' assigned to his or her former spouse in terms of a divorce order, accumulated with interest at a rate or rates determined from time to time by the Board from the former spouse election date to the date of payment or transfer, as the case may be;

**'pension interest'** means the lump sum cash benefit to which a member would have been entitled in terms of these rules had he or she resigned from service on the date on which he or she was divorced from his or her former spouse;

Rule 14.10:

**14.10 Assignment of a share of a member's pension interest to his or her former spouse**

- 14.10.1 If a copy of a divorce order certified as a true copy by a commissioner of oaths is delivered to the Fund then the following provisions will be applicable-
- 14.10.2 Within 45 days after the submission of the divorce order by the former spouse, the Fund must request the former spouse to elect if the amount to be deducted must be-
- (a) paid directly to the former spouse; or
  - (b) transferred to an approved retirement fund on the former spouse's behalf.
- 14.10.3 The former spouse must, within 120 days of being requested to make an election-
- (a) inform the Fund of how the former spouse's share must be dealt with: and
  - (b) if the former spouse elects that the amount must be paid to the former spouse directly, provide the Fund with the details of how that payment must be effected; or
  - (c) if the former spouse elects that the amount must be transferred to an approved retirement fund on his or her behalf, provide the Fund with the details of that approved retirement fund.
- 14.10.4 The Fund must pay or transfer the amount within 60 days of being informed of how the amount must be dealt with in accordance with the former spouse's election.
- 14.10.5 In the event that the former spouse fails to make an election or identify the approved retirement fund to which the amount should be transferred within the

- 120 day period referred to. The Fund must pay the amount directly to the former spouse within 30 days of the expiry of that period.
- 14.10.6 On the date on which it is given written notice of the former spouse's choice, or on the expiry of a period of 120 days after the Fund's invitation was sent by it to the former spouse, whichever is the earlier, the Fund must-
- 14.10.6.1 record in the books of the Fund a divorce debt in respect of the member in the amount of the former spouse's share; and
- 14.10.6.2 allocate the former spouse's share to an account in the books of the Fund in the name of the former spouse.
- 14.10.7 Notwithstanding rule 14.10.5. in the event that the Fund cannot reasonably ascertain how the payment to the former spouse must be effected, the Fund must retain the amount plus interest as determined by the Board in the Fund, until such time as details of how that payment must be effected is made available to the Fund by the member, the former spouse or any other person whom the Fund is satisfied has the necessary authority and capacity to instruct the Fund in that respect.
- 14.10.8 A former spouse is not a member or beneficiary in relation to the Fund and is only entitled to interest, as determined by the Board, from the expiry of the period referred to in rule 14.10.4 until payment or transfer thereof, but not to any other interest or growth.
- 14.10.9 When a benefit becomes payable to the member in terms of these rules-
- 14.10.9.1 the amount of the gratuity, if any, then payable to the member must be reduced by the amount of the divorce debt; and
- 14.10.9.2 if the amount of the divorce debt exceeds the amount of the gratuity and there is an annuity payable to the member, then the divorce debt must be recovered from the gratuity and annuity and the gratuity and annuity be reduced pro-rata-
- (a) the capital values of the gratuity and annuity must be determined by the actuary;
- (b) the values determined by the actuary must be reduced pro-rata by an amount equal to the balance of the divorce debt then remaining; and
- (c) the capital values that result from this calculation must be annuitised by the actuary on a basis determined by the board in consultation with the actuary to determine the amount of the gratuity and annuity which will then be payable.
- 14.10.10 The balance of the gratuity, if any, and the annuity, or gratuity and annuity adjusted in terms of rule 14.10.9, as applicable, will be the benefit or benefits to which the member will be entitled to in place of the benefit or benefits to which he or she would have been entitled, but for the operation of this rule.
- 14.10.11 Any member whose benefit and divorce debt was calculated and finalised prior to the commencement date of this rule may exercise a once off choice to elect to have the calculation of his/her benefit and recovery of the divorce debt re-adjusted in terms of this rule.