

# Dealing with divorce

Divorce is one of life's toughest challenges. On top of the emotional turmoil, you may also have financial confusion. To help you with the latter, here's how dissolving your marriage will affect your **Sanlam Staff Umbrella Pension and Provident Funds (SSUF) benefits**.

Divorce typically involves the splitting up of assets – and this may include your pension. According to the Divorce Act, as an SSUF member your former spouse may be entitled to a portion of your fund benefits.

However, you would not be required to pay your ex-spouse from your SSUF membership if you were married out of community of property and you were married on or after 1 November 1984, in terms of which the antenuptial contract excludes community of property, community of profit and loss and the accrual system.

## What is the process after divorce?

Once your divorce is finalised, you (the member) need to submit certified copies of the following documents to the SSUF via Human Resources Support Services (HRSS):

- divorce order and settlement agreement
- marriage certificate
- antenuptial contract (if married out of community of property on or after 1 November 1984) or written confirmation by the parties as to the matrimonial property regime (if married in community of property or out of community of property but an antenuptial contract is not available).

## What are the requirements of the divorce order?

The SSUF can pay your former spouse only if the divorce order strictly complies with the following requirements:

- The registered names of the SSUF are specified.
- The portion of the benefit awarded to the ex-spouse is clear – expressed either as a percentage of the benefit or a rand value – and doesn't exceed 100% of the benefit.
- The SSUF is explicitly ordered to pay the



## Words matter

The wording of the divorce order is very important – if it is not legally correct an amended order must be obtained from the court. To make sure you have the correct wording, you can request a draft wording from the fund secretary by sending an email to [chrisna.swart@sanlam.co.za](mailto:chrisna.swart@sanlam.co.za).

agreed portion to the ex-spouse according to his or her wishes.

If the documents submitted to the SSUF via HRSS do not comply with the divorce order requirements mentioned, you need an amended divorce order.

In such a case you'd have to resubmit the documents to the SSUF along with:

- the application papers (each page

stamped by the court)

- variation order to have the original court order amended (each page stamped by the court).

## Tax implications

For divorces on or after 13 September 2007, the amount is taxable when it's in the hands of the member's ex-spouse. If the amount is transferred to another approved retirement fund, the transfer is tax-free (except in the case of a transfer from a pension to a provident fund).

## Cover on the life of your ex-spouse

Members are reminded that the option to retain the death cover of the life of their ex-spouse must be submitted to HRSS within three months of the divorce.