



Participation of a group of companies in the Fund

Each legal entity in a group of companies must be registered with the FSB as a participating employer in the Sanlam Umbrella Fund with its own set of Special Rules. Furthermore, it is only the employees of that particular legal entity, registered as a participating employer in the Fund, that are eligible for Fund membership.

This is the case even where all employees in a group of companies have identical benefit structures (but are employed by different legal entities), or where a subsidiary is 100% owned by the parent/holding company (because they are separate legal entities).

For example, a holding company cannot include persons employed by its subsidiary company as Fund members, because they are technically not employees of the holding company.

What is the consequence of non-compliance for employers?

Participating employers as well as the member's actual employer (who is not registered as a participating employer in the Fund) will be unable to lodge a claim against the member's benefit in terms of section 37D of the Pension Funds Act on termination of fund membership (e.g. outstanding housing loans, compensation for damages caused by the member's theft, fraud, dishonesty or dishonest misconduct).

If you are unsure about your status as a participating employer in the Fund, please contact your Client Relationship Manager for assistance.