



## Changes in the November 2017 version of *The Fund in Detail* document

Aside from text refinements to improve readability and general updates, the main product changes from the previous edition have been summarised below. Please read this document in conjunction with the new version of *The Fund in Detail*.

### The following changes have been made to the chapter on How the Fund works:

1. **Housing loan sureties:** IEMAS has been approved as a provider.

### The following changes have been made to the chapters on Group Insurance:

1. **Insurance:** Quotation requests for Sub-funds that have previously been underwritten, and comprising more than 400 members, must be accompanied by claims experience from the previous Administrators
2. **Cover during Disability:** wording was changed for clarification (page 17).
3. **Conversion options:** This option also applies when the spouse reached age 70 and the member remains in the service of the employer (page 17).

### The following change is applicable to Underwriting conditions for Group insurance:

1. **Exclusions in respect of the Flexible life insurance:** A two year suicide clause will apply (from inception date), or date of any increase to the Flexible life insurance (page 21).

### The following changes have been made to the In-fund Preservation Members, Phased Retirees and In-fund Living Annuitants:

1. **In-fund Living Annuitants:** wording was changed for better understanding (page 25).
2. **Operating Expenses:** Consulting fees (now known as Advice fees) have been revised and to include:
  - An initial fee up to a maximum of 0.50% per annum (excluding VAT)
  - And an on-going fee up to a maximum of 0.75% per annum (excluding VAT), recovered monthly, of each member share.

### The following change is applicable to the Investment menu.

1. The **Sanlam Allan Gray Domestic Balanced Portfolio** has been closed.

### The following changes have been made to chapter on Operating expenses:

1. **Administration fees Standard Option and Comprehensive Option:** participating employers can now choose to have these fees deducted as:
  - a rand amount per members
  - a percentage of salary per member, or
  - a percentage of assets under management.
2. **Consulting fees Standard Option and Comprehensive Option:** the negotiated Consulting fees can be expressed as:
  - a rand amount per members
  - a percentage of salary per member, or
  - a percentage of assets under management

3. **Risk Management fees:** Risk Management fees have been increased to a 7.5% loading within the insurers' quoted insurance premiums.
  - In case of Sub-funds comprising 300 or more members, a reduced 5% loading applies.

**The following changes have been made to the chapter on Communication:**

It has been formally clarified that members' contact details are required at inception, to ensure that members are able to register online and benefit from the Fund's digital solutions available to them (page 58).

**The following requirement has been rewritten in the chapter on Roles of the various parties:**

**The Participating Employer:** Where the participating employer and the Contracted Benefit Consultant agree that the Contracted Benefit Consultant will act as the only employer contact person and that all communications must be channelled via the Contracted Benefit Consultant, the Contracted Benefit Consultant has to complete a communication agreement to indemnify the fund and the administrator from any liability that may arise as a result of the arrangement between the employer and Contracted benefit consultant.

**The following changes have been made to chapter on New Business terms and conditions:**

1. **Quotation Conditions:** Quotation requests for Sub-funds that have previously been underwritten, and comprising more than 400 members, must be accompanied by claims experience from previous Administrators.
2. **Administration conditions - Membership Data:** It is a legislative requirement that all existing eligible, permanent employees are given the opportunity to join the Fund on commencement date. This option must be exercised within 12 months of such date. Underwriting conditions will apply to existing employees joining the Fund more than three months after the date of inception of Sub-fund.

**The following changes have been made to chapter on General Fund Information:**

**Board of trustees for Sanlam Umbrella Pension Fund and Sanlam Umbrella Provident Fund:**  
Ian McDonald is no longer a trustee of the Fund and Azola Zuma is the new Sanlam appointed trustee.