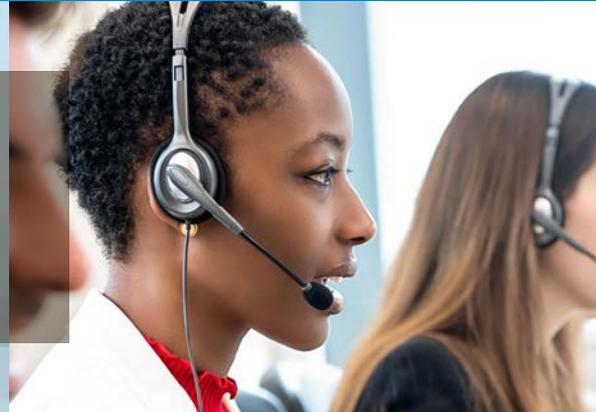




Sanlam Employee Benefits: Individual Member Support



New regulations in terms of the Pension Funds Act, commonly known as the Default Regulations, require all retirement funds to implement a number of measures by March 2019.

These regulations stipulate that all funds **must provide members with:**

- ① a default investment portfolio;
- ① a default preservation option on withdrawal;
- ① a trustee-endorsed annuity strategy; and
- ① access to retirement benefit counselling, before receiving a withdrawal or retirement benefit.

Financial advice for fund members

Although the Default Regulations do not mention financial advice for fund members, Sanlam offers funds a number of options.

With consent of the Board of Trustees, members who require financial advice can be referred to a financial adviser. Board of Trustees may select from a number of options to put an advice structure in place for members.

Assistance by a Retirement Benefits Adviser

Members are assisted telephonically by a salaried Retirement Benefits Adviser employed by Sanlam. The salary-based remuneration structure (no commission) helps avoid conflicts of interest situations. The Retirement Benefits Adviser focuses on products offered by the fund to its members in terms of the Default Regulations. Arrangements may also be made for face sessions with members. Two levels of advice are offered:

Retirement Benefits Advice: Level 1

Members receive advice and intermediary services on:

- ① Available options in terms of the fund's annuity strategy
- ① Conversion of Group life cover (if applicable)

Members will also receive assistance with:

- ① Completion of exit claim forms and annuity application forms
- ① Drafting of an online Sanlam administered will
- ① Providing information about application for UIF

As an optional service, members may receive:

- ① Ongoing servicing and advice which includes annual review of retirement income and telephonic access to RBA for negotiated fee.

Cost of the Level 1 service

R1 500 (excluding Vat) per member



Retirement Benefits Advice: Level 2

Members receive advice and intermediary services on:

- ⌚ Available options in terms of the fund's annuity strategy
- ⌚ Personal, holistic financial position (assets and liabilities, budget, capital projection and cash flow)
- ⌚ Conversion of Group life cover (if applicable)

Members will also receive assistance with:

- ⌚ Completion of exit claim forms and annuity application forms
- ⌚ Drafting of an online Sanlam administered will
- ⌚ Providing information about application for UIF

As an optional service, members may receive:

- ⌚ Ongoing servicing and advice which includes annual review of retirement income and telephonic access to RBA for negotiated fee.

Cost of the Level 2 service

R4 500 (excluding Vat) per member

In-fund living annuitants receive support with:

- ⌚ Decisions regarding annual initial income selection
- ⌚ Selection of appropriate investment portfolios
- ⌚ Comparing current Living Annuity and Guaranteed Annuity
- ⌚ Implementation of decisions in terms of all the above

Referral to a fund-appointed Financial Adviser

In cases where the fund already has an arrangement in place with a FAIS-accredited Financial Adviser, members will be referred to this person. The trustees may also choose to engage with Sanlam in selecting and appointing a suitable Financial Adviser for the fund.

Referral to an Independent Financial Adviser

With consent of the trustees, members who require traditional face-to-face financial advice could be referred to an Independent Financial Adviser selected and qualified by Sanlam. In terms of this option the fund does not endorse or approve the Independent Financial Adviser as Sanlam takes this responsibility and tracks the progress and outcomes of referrals. These advisers are able to advise members on a wide range of products on the market.

The option not to refer members to a Financial Adviser

The trustees may also choose not to give consent for members to be referred to a Financial Adviser. In such cases, members will be advised to make their own arrangements for personal financial advice.



Want to know more?

Contact your Client Relationship Manager.