

Covid19 and your group policy conditions

Sanlam Corporate: Group Risk (Sanlam) is resolute in enabling financial resilience for our clients through these difficult times. Built on over 100 years of institutional memory, our business is robust, prepared and fully capable of delivering on our commitments.

We noted the concerns among our clients, their employees/members and their advisors in respect of the Covid19 virus and Sanlam's current operational processes relating to policy conditions.

We have implemented various business continuity measures to support our clients and safeguard the continuation of our core operations despite the constraints of a prolonged nation-wide lockdown, and commit to you that essential services such as disability income payments, death & funeral claims and premiums receipting have been prioritised.

Please note: For purposes of this communication, all references to members are deemed to include employees or fund members that are insured by Sanlam Corporate: Group Risk under a group insurance policy.

Frequently Asked Questions

We provide answers to the most pressing questions in relation to members covered by a company's group risk insurance policy:

① **How will the national lock-down, as a result of the current COVID-19 pandemic, impact members' group cover if the employer has no choice but to suspend business operations because of this?**

As long as monthly premiums continue to be paid, members will remain covered for the benefits provided for in their group risk policy.

If you (policyholder) are not able to meet the monthly premium commitments, please contact your intermediary.

② **Will Sanlam provide cover to members who are not actively at their place of employment?**

Membership is compulsory for all qualifying employees and the active-at-work condition does not require an employee to be physically at the office or at work. The policy condition requires an employee to be able to perform his/her normal work functions, i.e. the employee is not prevented from working because of sickness or an accident, or is a possible claimant. As such, under current circumstances, we treat employees working from home as if they are actively at work.

This also allows for new employees commencing service during this time and we will treat them as active in service from their individual joining dates.

③ **How will Sanlam require members to provide medical evidence of good health?**

When a member's potential cover exceeds the medical proof free limit (MPFL), medical evidence of good health is required in respect of the total amount in excess of the MPFL.

When a new member exceeds the MPFL, or a member receives an increase in salary that has resulted in the member's full potential cover exceeding the MPFL (for the first time), he/she will be required to provide medical evidence of good health for the total amount of cover in excess of the MPFL. Current policy conditions do make sufficient allowance for a window period in which to submit the medical evidence, and under certain conditions Sanlam will extend this period for requests generated during the lockdown. As an alternative, we also encourage members to provide recent executive medicals where ever possible.



In the event that a member's risk cover amount in respect of a Group Life, Lump Sum Disability or an Income Disability/ Temporary Income Disability/Managed Income Disability insurance policy, is limited to the MPFL, and the employee experiences an accident that gives rise to a claim (in terms of the relevant policy), Sanlam's Accident Booster benefit will pay the employee's full potential cover amount.

These members enjoy risk cover up to the MPFL for claims resulting from natural causes, and full risk cover for claims resulting from unnatural causes through the Accident Booster benefit.

Members applying for an increase in their flexible risk cover, or spouse's insurance for a co-habiting spouse, will however not enjoy their increased risk cover until such time as medical evidence of good health has been received and accepted by Sanlam.

① **Will Sanlam cover members currently located beyond South Africa's borders?**

Sanlam provides cover for members of group schemes/retirement funds who are physically present in the Republic of South Africa (RSA). Extension of insurance for members that travel and work outside RSA can be considered at an employer's request.

Sanlam considers requests to extend insurance to members who will be temporarily employed in other countries on a case-by-case basis, following a thorough assessment of the associated risks, and will continue to do so amid the current pandemic concerns.

Our clients can remain confident that we will continue to treat these cases in a fair and consistent manner, and in line with this risk management principle, Sanlam will include an assessment of the risk of exposure to the Coronavirus as we would have for any other epidemic or pandemic.

① **Will Sanlam be able to process my claim?**

Financial Services have been classified as an essential service, and our commitment to you is that we will do everything within our control to ensure group insurance claims will be paid and that our staff are available to handle all queries. All of our group risk teams have technology solutions which enable them to work remotely to ensure that they can continue to perform their duties.

Since most companies will be working remotely during this time, Sanlam will accept claim forms with electronic signatures or forms that are sent to us from the person authorised to sign the form, where the email includes the necessary signature block to verify this.

① **Is the Coronavirus covered by group insurance policy contracts?**

Sanlam pays all valid death claims in line with its normal policy requirements, regardless of what caused the death. For funeral claims Sanlam will, if applicable, apply the waiting period for natural causes which applies to a fund specific or scheme specific policy contract.

The COVID 19 illness itself will not be covered in the Critical/Severe illness insurance policy contracts—in the same way that Ebola and other infectious diseases are not covered. However, some of the complications of the disease might lead to a claim, e.g. end stage lung disease, renal failure, loss of vision, etc. In these instances a claim may be valid depending on the specific policy contract and the nature of the benefits selected and, in particular, whether the policy contract provides for a Core or Comprehensive option.

As is the case with the previous example, contracting the virus will not automatically constitute an Income Disability insurance claim, but some complications may result in temporary or permanent disability. The nature of the potential disability will be assessed against the disability definition contained in the client-specific policy contract.

Sanlam maintains a robust balance sheet and is committed to the principles of Treating Customers Fairly and is therefore able to provide financial security in such times of uncertainty.

We ask for your patience and understanding during this time and assure you that the Sanlam Corporate executive leadership team remains fully engaged, responsible and accountable for ensuring business continuity, service delivery and accessibility. Should you require any support, please contact your intermediary, Client Solutions Specialist or Client Relationship Manager.

In conclusion, on behalf of Sanlam Corporate and the broader Sanlam Group, we thank you for your continued support of our business, especially during these difficult times.