

Sanlam Easy Retirement Plan Contracted Financial Adviser Guide

2023



Contents

Introduction	4
Financial Advisory and Intermediary Services Act (FAIS)	4
Protection of Personal Information	5
Product Specific Training (PST) Requirements	5
Duties and responsibilities of the Contracted Financial Adviser	6
Consulting fees	9
Annual revision date	10

Introduction

The trustees of the Sanlam Easy Retirement Plan require that every participating employer use the services of a Contracted Financial Adviser to provide advice on plan structure and benefits to the participating employer and its employees on an on-going basis.

Where a Financial Adviser is not contracted by a participating employer, the Fund will appoint an accredited Contracted Financial Adviser to perform this function.

This guide summarises the duties and responsibilities applicable to Contracted Financial Advisers who manage and monitor an employer's participation in the Sanlam Easy Retirement Plan.

It should be read in conjunction with the latest version of the Sanlam Easy Retirement Plan Product Guide.

The Contracted Financial Adviser undertakes to comply with all requirements and duties set out in this guide and the Sanlam Easy Retirement Plan Product Guide as amended from time to time.

Financial Advisory and Intermediary Services Act (FAIS)

The Financial Advisory and Intermediary Services Act (FAIS) specifically regulates advice and intermediary services. These may be broadly defined as follows:

- **Advice:** guidance, proposal or recommendation to a client about a financial product listed in the Act.
- **Intermediary service:** a service other than advice in relation to a financial product.

Any business where advice and/or intermediary services are rendered must be licensed as a financial services provider and comply with the provisions of FAIS Act.

In terms of the FAIS Act (no 37 of 2002), Contracted Financial Advisers must be accredited for (Pension Fund Benefits 1/7) and (Long-Term Insurance 1/1).



Protection of Personal Information

The Fund and the Fund's administrator, Sanlam, will process and protect the Fund Data as required by Data Protection Legislation and the Constitution of the Republic of South Africa.

Sanlam's Corporate Privacy Notice is available [here](#).

The Contracted Financial Adviser is authorised by the participating employer to engage with the Fund, the Fund administrator, the insurers as well as the members of the sub-Fund. Thus, the Contracted Financial Adviser is required to comply with the provisions of POPIA to the extent that the adviser is authorised and required to process personal information as set out in the latest version of the Sanlam Easy Retirement Plan Product Guide and the Confirmation of Acceptance (COA) document.

The Contracted Financial Adviser may be exposed to Personal Information, and Intellectual Property belonging to either the Fund or the participating employer, while providing the financial advisory services. The Contracted Financial Adviser must ensure to take all reasonable steps and precautions to preserve the integrity of Fund Data and to prevent any corruption or loss of such data.

The Contracted Financial Adviser shall at all times comply with its obligations under the Data Protection Legislation, as well as ensure that all its own system and operations that it uses to provide advisory services are of the standard required by the Data Protection Legislation.

Product Specific Training (PST) Requirements

A Contracted Financial Adviser is required to complete Product Specific Training (PST), where the Contracted Financial Adviser signs up a new participating employer for the first time.

Product Specific Training is the training in respect of a particular financial product which is assessed, it includes amendments to that particular financial product. The training is continuous to keep up to date with product updates.

Product Specific Training (PST) provides Contracted Financial Advisers with an understanding of the workings of the Sanlam Easy Retirement Plan, the governance of the Fund, the structure of the Fund, product minimums, investment strategy, and insured benefit options, where applicable. All Contracted Financial Advisers must complete the training assessment and obtain a pass mark of 80%.

The Sanlam eLearning Tool provides the relevant study material and accreditation assessments to assist the Contracted Financial Advisers to, through self-learning, meet these competency requirements.

The study material for the Sanlam Easy Retirement Plan Assessment consists of the following:

- The Sanlam Easy Retirement Plan Product Guide

Contracted Financial Advisers are required to study the material, after which, complete the product assessment. Upon completion, a certificate of completion will be generated as proof of accreditation.

Contracted Financial Advisers can access the Sanlam eLearning tool by [clicking here](#).

Alternatively, if an FSP is registered on [SanPort](#), the Advisers are able to complete the assessments on this platform.

[Click here](#) for the registration guide to the Sanlam eLearning online tool.

Duties and responsibilities of the Contracted Financial Adviser

Unless otherwise agreed or in accordance with the signed agreement between the participating employer and Contracted Financial Adviser, the Contracted Financial Adviser's responsibility is to:

- Advise the participating employer on the most appropriate benefit plan/s for the employer's employees
- Assist participating employer with completion of documentation for implementation of the sub-fund including section 14 documentation, where applicable.
- Assist the participating employer with written member communication (complying with FSCA Conduct Standard 1 of 2019) and presentations should a Section 14 transfer be required at inception, as well as all other requirements such as notification of termination to current service providers.
- Review the participating employer's plan selection on a regular basis, at least annually during the Fund's revision period.
- Assist the employer in identifying and developing tailored member communication material and member presentations, if required for the participating employer.
- Assist the participating employer with any desired changes to the employee's selected plans, including advice on the implications thereof, assistance with the necessary processes to implement any such changes, and assistance with any necessary member communication pertaining to such changes.
- Ensure the Fund receives updated member cell phone numbers, email addresses, tax numbers and any other requirements outlined by current legislation with all new business data, as and when member details change and at annual revision.
- Assist the participating employer with amendments and any other documentation required for effective administration purposes.
- Ensure that the participating employer complies with all requirements and duties imposed on employers in terms of the Fund Rules and the Product Guide as amended from time to time.
- Assist the participating employer with all administrative duties.
- Assist the participating employer with general member queries and product related queries.
- Discuss the outcome of the Fund's annual revision process with the participating employer, prior to the effective date of the revision.
- Keep abreast of all official communication issued by the Fund, including all Fund updates and industry information to timeously convey all such information, as appropriate, to the participating employer and the members as part of the ongoing consulting process.

- Where a participating employer changes ownership, the Contracted Financial Adviser must notify the Fund promptly and ensure that the employer understands that this affects customer due diligence requirements, outlined by FIC Amendment Act 2017 and reporting to FSCA.
- Liaise regularly with the employer to ensure the smooth running of participation in the Fund.
- Where necessary, provide financial advisory services to members.

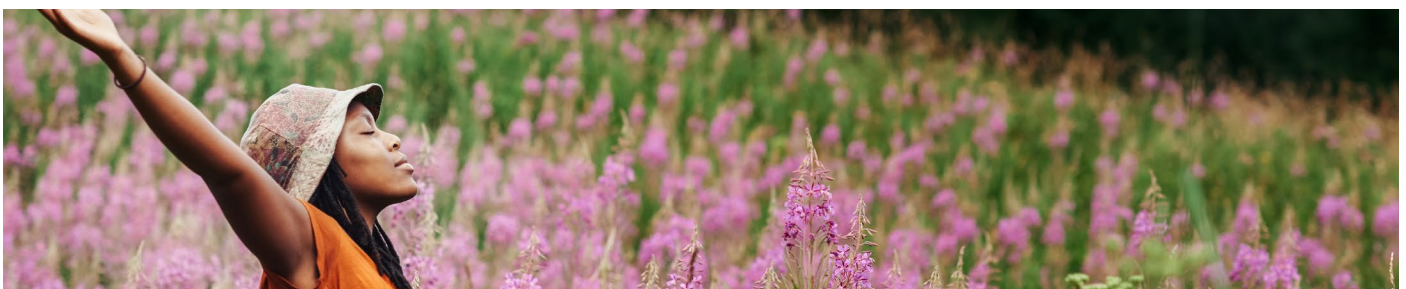
On-boarding a new Participating Employer

The Contracted Financial Adviser must ensure all requirements set out in the FAIS Act and Long-Term Insurance Act Policy Protection Rules 2017 are met.

The completed and signed documentation together with member data should be submitted electronically by the 10th of the month before inception date to ensure that the implementation is completed before the first contribution is due.

The table below provides a timeline of actions that will take place during the implementation month (assumes an implementation date of 1 June):

When	What	Who is responsible
10 th May	Employer signs up to join Sanlam Easy Retirement Plan via the digital platform	Employer
17 th May	Employer and Intermediary receive an email confirming receipt of documentation	Vetting Team
Between 17 th and 20 th May	Employer set up finalised on administration platform	Administrator
20 th May	Receive final membership changes	Administrator
1 st June (first business day of the month)	Debit order processed	Employer /Administrator
15 th June	Notify Insurer of new employer onboarding	Administrator
15 th – 25 th June	Letters sent to employer if debit order rejected	Administrator
30 th June	Employer receives new member entrant certificates	Administrator
30 th June	Risk Onboarding letter sent to the employer	Administrator
Ongoing administration support to the employer		Administrator
Ongoing benefit consulting service to the employer		Contracted Financial Adviser



Amendments

Please note that, any amendment to the selected plan structure can be implemented at the Fund's annual plan review effective 1 July annually, unless communicated otherwise.

Important notes:

- Amendments can only be implemented from a future date, after receipt of the signed documents.
- Amendments can only be implemented after the previous month's contributions have been received.
- An Amendment Confirmation of Acceptance form, available on the **Consultant's Toolkit** must be completed and returned to the Fund by
- Amendment requests must be emailed to the **easyretirement@sanlam.co.za** email address.

Amendments to change or update participating employer contact details as well as Contracted Financial Adviser (CFA) details, also need to be done via an amendment form available on the Consultant Toolkit and emailed to **easyretirement@sanlam.co.za**

Communication

The mandatory appointment of a FAIS accredited Financial Adviser is designed to ensure that participating employers are kept up to date with legislative and product updates, as well as to regularly review the appropriateness of the benefit plan/s chosen.

New Member Entrant Certificate

Every member joining the Fund receives a New Member Entrant Certificate, via the employer, confirming their membership to the Fund and providing a summary of their benefits. The certificate is issued 30 days after the member's join date.

Benefit Statements for Members

Every member will receive an annual benefit statement from the Fund that shows their member share and insured benefits available, if applicable. These statements are distributed electronically to the participating employer and/or Contracted Financial Adviser for distribution to members.



Consulting fees

Contracted Financial Advisers are paid a consulting fee for specific services rendered to a participating employer after successful on-boarding on the Sanlam Easy Retirement Plan.

Consulting Fees are paid monthly to each participating employer's FAIS-accredited Financial Adviser for providing the Benefit Consulting services and is deducted as:

- 5.75% of contributions (incl. Vat) and excluding additional voluntary contributions up to a maximum of R47.37.

Payment process

Consulting fees are paid in arrears, once the relevant participating employer's monthly contributions are successfully captured on the administrator's platform. It is the responsibility of the Adviser to provide the administrator with the correct banking details by way of a bank statement header or cancelled cheque, at inception.

Consulting fee statements

Consulting fee statements for the Sanlam Easy Retirement Plan are distributed monthly after 10 working days following payment each month, to those Contracted Financial Advisers who received a payment.

Changes to Contracted Financial Adviser Information

Any changes to the Contracted Financial Adviser's details (e.g. banking details, and address details) are done by means of the amendment process.

Please note that a change to the FAIS status of a Contracted Financial Adviser may result in suspension of payment of consulting fee.

Any change on the Contracted Financial Adviser's information will only be implemented on receipt of the signed amendment document. The completed and signed document should be submitted directly to easyretirement@sanlam.co.za.

Enquiries for Consulting Fees

All queries regarding consulting fees should be emailed to easyretirement@sanlam.co.za.

Annual revision date

The Sanlam Easy Retirement Plan Administration fees (including asset-based administration fees) and insurance premiums are reviewed annually and come into effect on 1 July each year, unless communicated otherwise. The reviews follow negotiations between the Sponsor, the Insurers and the Board of Management. Participating employers will be given at least one month's written notice of any changes to Administration fees, Consulting fees and insurance premiums.

The Contingency Reserve Account Levy is also subject to review at this time.

The Contracted Financial Adviser must ensure to discuss the outcome of the Fund's annual revision process with the participating employer, prior to the effective date of the revision.





