

## Fund Summary



# Sanlam Unity Umbrella Fund

### The Sanlam Unity Umbrella Fund offers:

- ④ A well-structured product that enables employers to offer their employees a packaged retirement solution, with uniform benefit structures and costs applied to all members
- ④ Highly competitive cost structure
- ④ Leading-edge administration platform
- ④ Sound actuarial management of the risk pool
- ④ Excellent governance structure

The Sanlam Unity product offering is one of three products available under the Sanlam Umbrella Fund product range, the other options being the Standard Option and the Comprehensive Option. Each product offering has been designed to meet the retirement needs of a specific target market.

The Sanlam Unity Umbrella Fund (“the Fund”) is an umbrella provident fund in which many employers and their employees participate in order to derive benefit from economies of scale. The Fund aims to provide a simple, cost effective and administratively efficient retirement funding and group insurance solution.

The Board of Trustees, in consultation with Sanlam, provides a packaged solution comprising an appropriate balance of retirement savings, death, disability and funeral cover that aims to meet the needs of the target market within acceptable cost parameters.

The packaged solution is founded on the solidarity principle whereby uniform charging structures apply to all members.

A leading edge administration platform, excellent governance structures, transparency and integrity underpins the Sanlam Unity Umbrella Fund.

### More about the Umbrella Fund

- ④ **Minimum requirements:** The minimum requirement for membership is 20 members.
- ④ **Retirement age:** The normal retirement age is age 65, unless employers stipulate a different retirement age. Members are permitted to retire from age 55 onwards.



### minimum

Member + employer contribution rate  
for retirement benefits is

5%

net of costs

for group insurance + operational expenses

subject to:

employer contribution rate > [cost of group insurance + operational expenses]

#### ① Contributions:

The minimum member plus employer contribution rate for retirement benefits is 5%, net of costs for group insurance and operational expenses subject to the employer contribution rate exceeding the costs of group insurance and operating expenses.

#### ② Sound management of fund:

Governance is ensured and maintained by the professional Board of Trustees with 50% independent member-elected trustees and representative committees with member representation, established by each participating employer.

#### ③ Housing loans:

Participating employers can apply for a housing loan facility for their members whereby a loan is granted to a member by a financial institution. The Fund furnishes a guarantee in favour of the financial institution which guarantee is secured by the members pledging to the Fund their individual member share.

#### ④ Benefits of dependants:

The Fund provides two registered Beneficiary funds to manage the benefits of dependants should the member die. These are the Sanlam Trust Beneficiary Fund and the Legacy Beneficiary Fund.

#### ⑤ Sanlam's black economic empowerment status:

Sanlam rates as a level 2 contributor, based on the Department of Trade and Industry' scorecard – this will imply 100% recognition for procurement purposes.

#### More about the group insurance

The following package of risk insurance is offered under the Fund:

- ① Group life insurance
- ② Group lump sum disability insurance
- ③ Group family insurance

#### Group life insurance

The employer chooses between 0, 1, 2 or 3 x annual salary as a group life insurance that is paid in addition to the member's share in the Fund. Death cover ceases upon attaining normal retirement age. The cover will continue, with consent of the employer, for members actively at work after the normal retirement age until actual retirement or the age of 70 years, whichever occurs first.



### Group Lump Sum Disability Insurance

A lump sum of between 0, 1, 2, or 3 x annual salary (equal to the group life insurance) is payable after a waiting period of six months if the member is totally, permanently and continuously prevented, even with further in-service training:

- ④ from following his/her regular occupation, and
- ④ from following the occupations which he/she, in view of his/her training and experience, may reasonably be expected to follow, and
- ④ experiences loss of income.

### Group Family Funeral Insurance

The employer can choose to include a group family funeral insurance for the employees. The group family funeral insurance is paid on the death of the principal member, qualifying spouse and qualifying children.

The cover amounts which can be selected are R5000, R10 000, R15 000 and R20 000.

### Additional unapproved risk schemes

Futura SA Administrators (Pty) Ltd offers additional unapproved risk schemes which are targeted and designed to meet the needs of workers. These risk schemes are underwritten by Sanlam Group Risk, and include a range of additional insurance benefits. Premiums in respect of these unapproved risk schemes are paid monthly, and are separate and additional to the monthly contributions paid in terms of the Fund Rules.

### More about the investments

The Trustees have a formal investment strategy in place whereby the Fund aims to provide stable long term returns in excess of inflation that suits the majority of the members' long-term investment needs.

The current investment strategy invests in Sanlam Stable Bonus Fund.

The Trustees review the investment strategy continually, and will make periodic changes to the underlying investments in line with the objectives of the strategy.

### Innovative administration

The Sanlam Unity Umbrella Fund is administrated by Sanlam Corporate, who offers a leading-edge administration platform, which allows internet-based transactions between the administrator and participating employers. Employers have access to daily pricing, daily balancing and workflow information.

All participating employers utilise the web so as to streamline the administration of the Fund. Monthly contributions are collected by way of utilising the electronic contribution process.

### Highly competitive fees

The Sanlam Unity Umbrella Fund's costs are transparent and clearly indicated on all quotations. The following are included:

- ④ Integrated administration fees which are deducted as a flat percentage of salary per member.
- ④ Consulting fees paid to intermediaries monthly for services delivered on a contractual basis.
- ④ Investment management fees as levied by investment managers. These fees will vary from time to time depending upon the investments selected by the trustees. Details of the current fees are available in the monthly investment fact sheets.
- ④ A Contingency Reserve Account levy is charged per member per month to cover ancillary fund costs. The current levy is 0.30% per annum of assets, levied monthly i.e. approximately 0.025% of assets per month.



## Clear communication via various channels

### Communication with members

Regular communication through various channels will enable members to understand their benefits and keep track of the value of their benefits. Access to information is provided through:

- ④ Member participation certificates
- ④ Member guides
- ④ Member benefit statements
- ④ The services of a contracted benefit consultant
- ④ Representation on the representative committee of their employer
- ④ An invitation to the Annual General Meeting of the Fund
- ④ Annual Trustee report
- ④ Member web portal
- ④ Sanlam Portfolio App
- ④ Day One Tools

### Communication with employers

Employers are updated on the Sanlam Unity Umbrella Fund through:

- ④ The SC Portal on the internet
- ④ Quarterly newsletter to employers
- ④ The services of a contracted benefit consultant
- ④ An invitation to the Annual General Meeting of the Fund
- ④ Annual Trustee report

## More information

This document summarises the Sanlam Unity product offering under the Sanlam Umbrella Fund product range. Further information is available in “*The Sanlam Unity Umbrella Product Guide*”, or you may contact your local Sanlam Client Solutions specialist.

