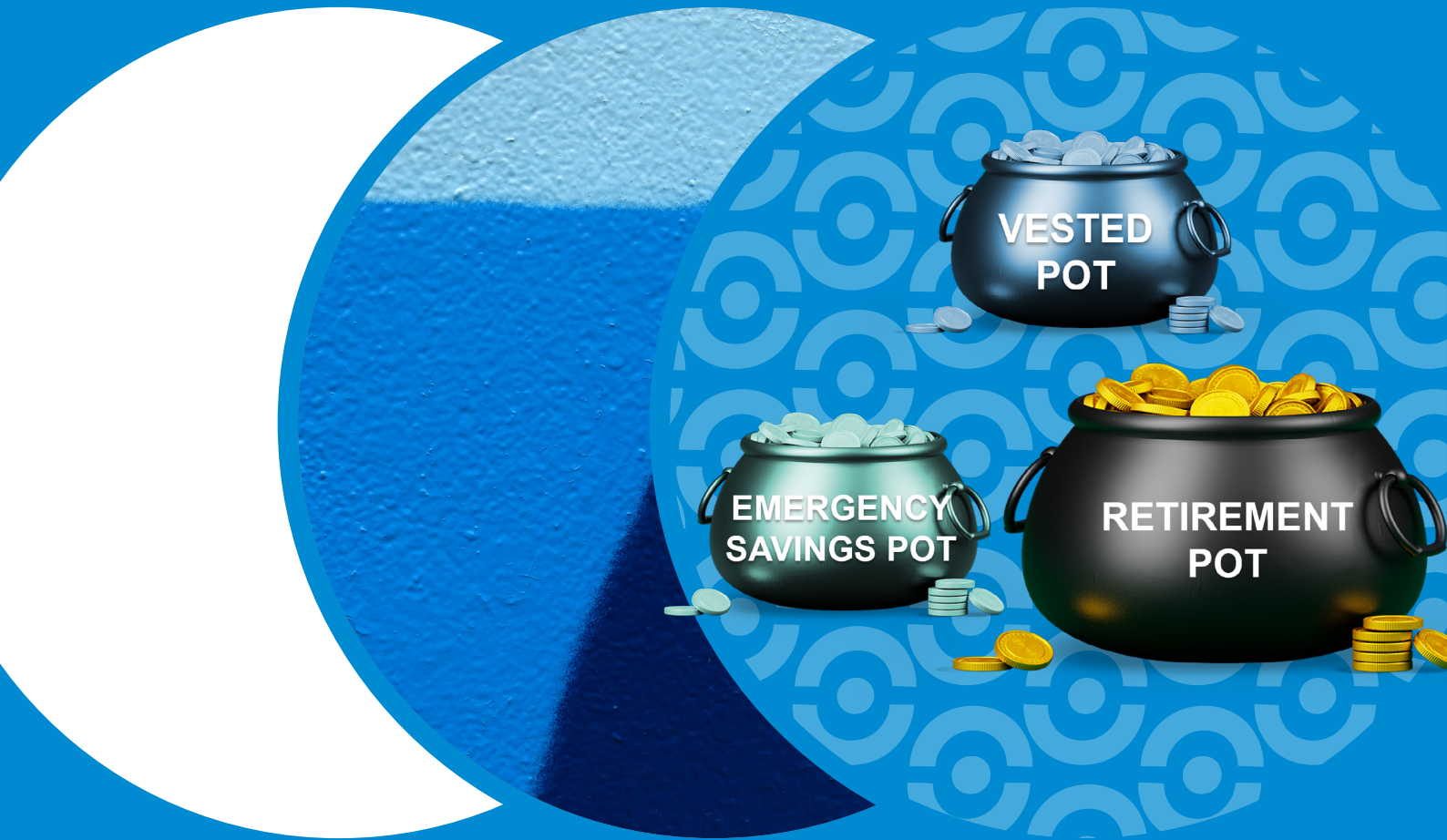


Employer Guide

Understanding Your Benefit Statement



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Costs of Benefit Statements

Getting Ready	02
.....	
Important notes for HR	03
.....	
The Two-Pot Benefit Statement Explained	03

01

Getting Ready

Participating Employers must ensure that they provide Sanlam with contact details for their members and whenever a new member joins the Fund. This will enable members to register online and use our digital tools.

Members' contact details will only be used for communication related to their retirement fund.

How to pre-load the bulk contact details for your members

- ▶ HR to **log** into the SC Portal.
- ▶ **Select** the relevant Employer Group on the Employer screen.
- ▶ **Click** on Bulk Contact Details (on the left hand menu).
- ▶ **Select** one or all pay points for the upload.



Why this is important:

With the Two-pot System coming into effect on 1 September 2024, members will need to use digital platforms to make withdrawals from their Emergency Savings Pot. The pre-loading of bulk contact details via HR will enable a seamless registration process for members and enable them to:

- view their annual benefit statement online.
- upload their beneficiary details via the Portfolio App annually or when their circumstances change, putting the member in charge of their own retirement fund choices.



Important notes for HR

- Audit reports are available via the EB Portal, which is safe and easy to use.
- Members can access their benefit statement at any time via the Portfolio App. The benefit statement can be downloaded for review or e-mailed to a member from the Portfolio App.
- The information on the benefit statement is subject to the Fund Rules and, in the case of a separate group insurance scheme, the provisions of the policy. In the case of a discrepancy between the information in the benefit statement and the provisions of the Fund Rules and/or policy concerned, the provisions of the Rules and policy will prevail.
- Sanlam will process and protect all members' personal information as required by the relevant laws and the Constitution of the Republic of South Africa.



The Two-Pot Benefit Statement Explained

1 Your personal details

Membership number	36724343
Date of birth	01/03/1974
Date of employment	01/05/2019
Normal retirement age	65
Employee number	TST02
Date joined Fund	01/05/2019
Pensionable service date	01/05/2019
Normal retirement date	01/03/2039

Your current annual salary details

Pensionable Salary	R1,152,337.16
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Members must inform HR if any of their personal details need to be updated.

- **Pensionable salary:** This is the salary used to calculate a member's retirement fund contributions and benefits.
- **Normal retirement date:** Members who are invested in a life-stage portfolio and are planning on postponing their retirement date, must inform HR so this information can be updated.
- **Normal retirement age:** This is the age at which members can retire and is determined by the Rules of the Fund.
- **Normal retirement date:** A member's normal retirement date is the last day of the month in which that member reaches the normal retirement age set out in the Rules of the Fund.

2

Your Fund details

Fund	12345678	Monthly member contribution	7.50%
Employer	TEST EMPLOYER	Monthly employer contribution	6.45%
Branch	TEST BRANCH	Normal retirement age	65
		Normal retirement date	31/03/2039

3

Your member share

Your member share is the sum total of all amounts transferred from other funds (if applicable to you), and contributions you and/or your employer have made and if applicable, less total expenses of the Fund and costs of insured benefits, plus the investment returns earned.

Movements in your pension fund member share for the period 01/12/2023 to 30/11/2024

Opening balance	1	R2,687,179.01
Total Transfers and allocations:	2	R5,000.00
Transfer received		R5,000.00
Total Contributions:	3	R159,341.39
Member contributions		R85,655.14
Employer contributions		R73,686.25
Total Expenses:	4	(R4,321.91)
Fund operating expenses		(R4,291.91)
Contingency reserve account levy		(R30.00)
Total Group Cover costs:	5	(R18,886.32)
Universal Education Protector		(R887.67)
Life insurance (unapproved)		(R8,600.78)
Family Funeral insurance		(R887.67)
Income Disability insurance		(R8,510.20)
Emergency Savings Pot Claim:	6	(R15,100.00)
Net Emergency Savings Pot Claim		(R14,720.50)
Emergency Savings Pot Claim Administration Fee		(R379.50)
Investment return		R163,375.43
Your total member share on 30/11/2024		R2,976,587.60

- 1 Opening balance:** This was the amount in the member share on 1 December 2023.
- 2 Total transfers and allocations:** This indicates a transfer into the member share received from a member's previous fund.
- 3 Total contributions:** This shows the member's and Employer's total contributions over the period.
- 4 Total expenses:** These are costs that were deducted as indicated.
- 5 Total Group Cover Costs:** This lists the various group cover that the member elected and the cost of that cover.
- 6 Emergency Savings Pot Claim:** In this example, the member has requested to make an Emergency Savings Pot withdrawal claim of R15 100. His net Emergency Savings Pot withdrawal claim amount will be R14 720.50 after the administration fee of R379.50 (R330 + VAT) has been deducted. Please note that tax will also be deducted before the Emergency Savings Pot claim is paid out.

4

Where is your money being invested?

The table below shows the portfolio(s) where your current member share is invested:

Portfolio name	Opening value on 01/12/2023	Closing value on 30/11/2024
SUF Pen Accumulation Portfolio	R2,687,179.01	R2,976,587.60
Your total member share value is	R2,678,179.01	R2,976,587.60

The table below shows the portfolio(s) where your future contributions will be invested

Portfolio name	Percentage
SUF Pen Accumulation Portfolio	100.00%



This section shows the portfolio(s) where the member share is invested and how it has grown over the period.



Note: All pots must be invested in the same portfolio.

Example: If the investment strategy is 60% to SIM Aggressive portfolio and 40% to SIM Moderate portfolio, this strategy will apply to all three pots.



If you offer investment choice, members can switch investments, online, to another portfolio if they wish.



Members are advised to get advice from an Accredited Financial Advisor before making switching decisions.

5

Your Retirement benefit

Investments	Pots totals	What you may do at retirement
Vested Pot 1 Vested Amount R0.00 Non Vested Amount R2,961,701.51	R2,961,701.51	You can either take the Vested amount as cash (it will be taxed at the SARS retirement tax table rates), or use it to buy an annuity. You can take a maximum of one-third of your non-vested amount as cash and must use the balance to buy an annuity/pension of your choice. Refer to Note 1 below.
Retirement Pot 2	R4,886.09	Your Retirement Pot must be used to purchase a pension/annuity. Refer to Note 1 below.
Emergency Savings Pot 3	R10,000.00	You can take this money as cash (it will be taxed at SARS retirement tax table rates), or you can buy an annuity.
Total Member Share 4	R2,976,587.60	

*** Note 1: If two-thirds of your non-vested member share plus your Retirement Pot is R165 000 or less, you can take the entire amount in cash (i.e. both the Non-vested and Retirement Pot).

- 1) **Vested Pot** – (Current savings) This pot contains current savings up to 31 August 2024. Members will not be allowed to make any more contributions to this pot, except provident fund members who were older than 55 on 1 March 2021. The current Fund rules will continue to apply.
- 2) **Retirement Pot** - (Future savings). From 1 September 2024, two-thirds of all contributions will be allocated to the Retirement Pot. A member will not have access to this pot when changing jobs or during emergencies. A member can only access their Retirement Pot when they retire from the fund.
- 3) **Emergency Savings Pot** – 10% of the vested pot as at 31 August 2024 (subject to a maximum of R30 000) will be seeded to the Emergency Savings Pot as a starting balance. From 1 September 2024, one-third of all contributions will be allocated to the Emergency Savings Pot. Members can make one withdrawal per tax year from this pot, subject to a minimum of R2 000.
- 4) The total member share is made up of all three pots.

6 Your Withdrawal benefit

Investments	Pots totals	What you may do at withdrawal
Vested Pot Vested Amount R0.00 Non Vested Amount R2,961,701.51	R2,961,701.51	This amount may be preserved in the fund, transferred, or taken in cash. If taken in cash, the amount will be taxed according to SARS Withdrawal Tax tables.
Retirement Pot	R4,886.09	This amount must be preserved.
Emergency Savings Pot	R10,000.00	This amount must be preserved, unless (1) it is less than R2,000 or (2) you have not made a Savings Withdrawal in the current tax year – in which case it may be taken in cash. If taken in cash, the amount will be taxed according to your marginal tax rate.
Total Member Share	R2,976,587.60	



For a few pointers on how the different “Pots” work. [Watch this short video](#)

» **Your Life insurance (unapproved)** –

Unapproved death benefits are death benefits payable in terms of a separate group life scheme in the event of death. This benefit is not subject to the Pension Funds Act. A member's nominated beneficiaries will receive the percentage of the benefit as prescribed by the group life policy document, or paid to the member's estate if they did not nominate a beneficiary. The member must submit their completed nomination form for the unapproved death benefits to HR.

» **Your Family Funeral insurance** The funeral benefit will be paid to the member's nominated beneficiary in the event of death to help with funeral costs.

» **Your conversion option** – This option allows a member to take out a similar individual policy at their own cost when they retire or when their membership in the Fund is terminated.

» **Your child education benefits** – The maximum amounts on the benefit statement will be paid out to help cover the cost of a member's children's education if the member dies in service.

» **Your Death Benefit**

- The trustees will determine the distribution of death benefits due to beneficiaries of deceased members in terms of Section 37C of the Pension Funds Act.
- In the event of a member's death, the family of the deceased must contact the Employer's office for assistance and guidance.

» **Your beneficiary nominations** – In the event of a member's death, the trustees of the Fund and the Employer (for unapproved benefits) will be required to confirm the member's dependants and beneficiaries. Members must update their beneficiary details via the Portfolio App or with HR annually or when their circumstances change.

» **Other notes for your attention** –

This section contains important information about how benefits are taxed, where to find more information about the Fund, its contact details and details of the Trustees.

The Fund Rules are the official “framework” which defines how the Fund works. The rules specify the contributions made towards the Fund, the benefits to be paid to members and the management structure of the Fund. The benefit strategy of each Fund is different and Employers and members must always refer to the Fund rules for more information.



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