

Member Guide

# Understanding Your Benefit Statement



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Your benefit statement will look a bit different from September 2024, when the two-pot system has been introduced. This brochure includes examples from a sample benefit statement. You can download your own statement on the Sanlam Portfolio App or Sanlam member web.



## 01

# Your personal details

This information is uploaded by HR every month. If any of your details are incorrect on your statement, please inform HR as soon as possible as this information is used to calculate your benefits.

<b>Membership number</b>	36724343
<b>Date of birth</b>	01/03/1974
<b>Date of employment</b>	01/05/2019
<b>Planned retirement age</b>	65
<b>Employee number</b>	TST02
<b>Date joined Fund</b>	01/05/2019
<b>Pensionable service date</b>	01/05/2019
<b>Planned retirement date</b>	31/03/2039

## Your current annual salary details

<b>Pensionable Salary</b>	R1,152,337.16
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**Planned retirement date:** If you are invested in a life-stage portfolio and are planning on postponing your retirement date, please inform HR so this information can be updated.

**Annual salary details:** This is the salary used to calculate your retirement fund contributions and benefits.

## 02

# Your Fund details

<b>Fund</b>	12345678
<b>Employer</b>	TEST EMPLOYER
<b>Branch</b>	TEST BRANCH

<b>Monthly member contribution</b>	7.50%
<b>Monthly employer contribution</b>	6.45%
<b>Normal retirement age</b>	65
<b>Normal retirement date</b>	31/03/2039

**Monthly member/employer contribution:** This is the percentage of your Fund salary that you and your Employer contribute each month to your retirement fund.

**Normal retirement age:** This is your normal retirement age as per the Fund Rules.

**Normal retirement date:** Your normal retirement date is the last day of the month in which you reach the Fund's normal retirement age as per the Fund Rules.



# Your member share

Your member share is the total of all amounts transferred from other funds (if applicable to you), all the contributions you and/or your employer have made and if applicable, less expenses and the 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

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

**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 your member share received from your 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 claim of R15 100. His net Emergency Savings Pot 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.



# 04

## 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
<b>Your total member share value is</b>	<b>R2,678,179.01</b>	<b>R2,976,587.60</b>

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

Portfolio name	Percentage
SUF Pen Accumulation Portfolio	100.00%

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

**Example:** If you elect to invest 60% of your savings in the SIM Aggressive portfolio and 40% in the SIM Moderate portfolio, this investment strategy will apply to all your pots.

# Your Retirement benefit

Investments	Pots totals	What you may do at retirement
<b>Vested Pot 1</b> 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
<b>Retirement Pot 2</b>	R4,886.09	Your Retirement Pot must be used to purchase a pension/annuity. Refer to Note 1 below.
<b>Emergency Savings Pot 3</b>	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.
<b>Total Member Share 4</b>	<b>R2,976,587.60</b>	

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:** This pot contains your savings in the Fund up to 31 August 2024. You will not be allowed to make any more contributions to this pot, except members of provident funds who were older than 55 on 1 March 2021. The current Fund Rules will apply to this pot.
  - **Vested amount:** You can take this as cash (taxed at the SARS retirement tax table rates) or use it to buy an annuity/pension of your choice.
  - **Non-vested amount:** You can take a maximum of one-third as cash and use the balance to buy an annuity/pension of your choice.
- 2) Retirement Pot:** From 1 September 2024, two-thirds of all monthly contributions will go to your Retirement Pot. You will not have access to this pot until you reach your normal retirement date, when it will be paid to you as a monthly pension. If two-thirds of your non-vested member share plus your Retirement Pot is R165 000 or less, you may take the combined amount in cash.
- 3) Emergency Savings Pot:** 10% of your Vested Pot on 31 August 2024 (subject to a maximum of R30 000) will be seeded to your Emergency Savings Pot as a starting balance. From 1 September 2024, one-third of all monthly contributions will go to this pot. You may make one withdrawal per tax year from this pot. The minimum withdrawal amount is R2 000.
- 4)** The total member share is made up of all three pots.

# Your Withdrawal benefit

The two-pot system gives you access to some of your retirement savings, before you retire, in case of emergencies. Remember, making withdrawals from your Emergency Savings Pot means you'll have less when you retire so you should always preserve your benefits when changing jobs and only withdraw money from your Emergency Savings Pot for true emergencies.

Investments	Pots totals	What you may do at withdrawal
<b>Vested Pot</b> 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. <b>If taken in cash, the amount will be taxed according to SARS Withdrawal Tax tables.</b>
<b>Retirement Pot</b>	R4,886.09	This amount to be preserved.
<b>Emergency Savings Pot</b>	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. <b>If taken in cash, the amount will be taxed according to your marginal tax rate.</b>
<b>Total Member Share</b>	<b>R2,976,587.60</b>	



# Your Group Insurance Cover

This section is a summary of the group insurance cover you are insured for/you selected.

Description	Cover amount	Insurer
Life insurance (unapproved)	R 3,757,011.48	Sanlam Group Risk
Family Funeral insurance	R 13,000.00	Sanlam Group Risk
Income Disability insurance	R 78,271.07	Sanlam Group Risk

## 4 Your conversion option

This option allows you to take out a similar individual policy at your own cost when you retire or your membership in the Fund is terminated. The table below indicates which insurance components you will be allowed to convert to individual policies. Note that you will have a limited period to do this.

Description	Insurer
Life insurance (unapproved)	Sanlam Group Risk
Income Disability insurance	Sanlam Group Risk

## 1 Life insurance (unapproved)

Unapproved death benefits are payable in terms of a separate group life scheme in the event of your death. This benefit is not subject to the Pension Funds Act. Your nominated beneficiaries will receive the percentage of the benefit as prescribed by the group life policy. If you did not nominate anyone, it will be paid into your estate. You must submit your completed Nomination Form for this unapproved death benefit and provide it to HR for safekeeping.

## 2 Family Funeral insurance

The funeral benefit will be paid to your nominated beneficiary in the event of your death to help with funeral costs.

## 3 Income Disability insurance

This benefit pays you a monthly salary if you become totally and continuously disabled as described by the terms and conditions of the policy.





## 5 Child education benefits

This section shows the maximum amount that may be paid to help cover the cost of your children's education should you die while working for your employer. There are also certain allowances for books and residency over and above these amounts.

Education institution	Maximum Education Fees per annum	Benefit period
Pre-school (Grade 0 or Grade R)	R 53,000 per annum	1 year
Primary school (Grade 1 to 7)	R 102,000 per annum	7 years
Secondary school (Grade 8 to 12)	R 118,000 per annum	5 years
Tertiary education	South African Educational Institution: R 78,000 per annum Foreign Educational Institution: The Rand equivalent of \$71,000 per annum	Duration of a first degree or first trade diploma or first certificate or similar qualification granted by an Educational Institution

**Please Note:** These maximum amounts may change annually at Sanlam's discretion.

## 6 Death benefit

If you die while still a member of the Fund, (and providing there were no changes as a result of amendments to the Rules of the Fund and/or the policies) your dependants and/or nominees may qualify for the following benefits:

- Your member share
- Life insurance amount

## 7 Funeral benefit

If you leave your employer and want to take out a new funeral policy, your new insurer may not impose a waiting period provided you were a member of a group funeral insurance policy for at least six months and that your new insurer receives your instruction within 31 days of leaving your employer. Your new funeral policy will be subject to the terms and conditions of the new insurer. ▼

## 8 Your beneficiary nominations

In the event of your death, the trustees of the Fund, will need to know who your dependants and beneficiaries are. Keep your information updated at all times. You can either submit your nomination to your HR/Pensions officer or alternatively if your Fund makes provision for it, capture or change your nomination at Sanlam's member online facilities. Go to <https://www.sanlamonline.co.za/login/>. Once logged in, click through to your pension/provident fund and update your fund beneficiaries or download the free Sanlam Portfolio app.

The statement in the example shows no beneficiaries either because the member had no beneficiaries or had not uploaded them via the Portfolio App or HR. You should update your beneficiary details via the Portfolio App annually or when your circumstances change.

## 9 Other notes for your attention

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

The Fund Rules are the official “framework” which defines how your Fund works. They specify the contributions you make towards the Fund, the benefits payable to you and the Fund's management structure. Please refer to the Fund Rules for more information about your Fund's benefit and investment strategy.





**2 Strand Road, Bellville, Cape Town | PO Box 1, Sanlamhof 7532, South Africa**

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T +27 (0)21 947 9111  
F +27 (0)21 947 8066

[www.sanlam.co.za](http://www.sanlam.co.za)

