

# Sanlam Umbrella Provident Fund (SUF): Sanlam Group

## Paid-up Member Guide

### 1. What is a Paid-up Member?

You became a Paid-up Member of the SUF: Sanlam Group (“the retirement fund”) at termination of employment (other than retirement), from your employer in the Sanlam Group, because you;

- chose to leave your member share (your entire fund value) in the SUF: Sanlam Group, or
- you did not submit the prescribed option forms regarding your fund benefit before termination of your employment.

You will remain a non-contributing paid-up member of the SUF: Sanlam Group until you withdraw from the retirement fund. Your member share remains invested in the SUF: Sanlam Group and continues to earn investment returns.

The SUF: Sanlam Group Rules will continue to apply to you while you are a paid-up member.

### 2. Advantages of being a paid-up member

Being a paid-up member in the SUF: Sanlam Group has many advantages for you, like:

- You avoid the hassle of having to transfer your retirement savings (member share) to another retirement fund.
- You can continue to invest your member share in any of the investment portfolios available to SUF: Sanlam Group members.
- You continue to benefit from the favourable tax treatment of the investment of your retirement savings within the SUF: Sanlam Group.
- Your member share will be preserved until the date you elect to withdraw the money; your retirement; or death, whichever happens first.

### 3. What benefits will you have?

As a Paid-up Member of the SUF: Sanlam Group, the following benefits apply to you:

#### 3.1 Withdrawal benefit

You may decide to withdraw your member share from the retirement fund at any stage before your normal retirement date (NRD). If you withdraw after NRD, you are retiring from the SUF: Sanlam Group. Refer point 3.2.

At withdrawal, your entire member share become payable and you would have the following choices:

- Transfer your entire benefit to another registered pension fund, provident fund, preservation fund or retirement annuity fund.
- Take a portion of your benefit in the form of a taxable cash lump sum and transfer the balance to another registered pension fund, provident fund, preservation fund or retirement annuity fund.
- You can take your entire benefit in the form of a taxable cash lump sum.

### **What are the tax implications when you withdraw your benefit?**

In terms of the current tax regime, benefits transferred to another approved fund are not taxed.

If a cash lump sum is selected, then it will be taxed according to the relevant tax tables at the time you make an election regarding the manner in which the benefit must be paid.

#### **Important:**

Tax legislation is complex and it is also amended from time to time. It is therefore strongly recommended that you seek the assistance of a financial adviser before you make an election regarding a benefit payment from the SUF: Sanlam Group.

### **3.2 Retirement benefit**

There are many annuity products available and making this decision can be complex. It is therefore strongly recommended that you seek the assistance of a financial adviser before you make any decisions regarding your retirement benefit payment from the retirement fund.

You may decide to retire from the SUF: Sanlam Group at any stage. At that time, your entire investment (member share) will be paid as a retirement benefit and you would have the following choices:

- Use your entire retirement benefit to draw a monthly pension from the SUF: Sanlam Group.
- Use your entire retirement benefit to purchase an annuity (monthly pension) from Sanlam or another provider.
- Take a portion of your retirement benefit in cash and use the rest to buy an annuity (monthly pension) from Sanlam or another provider. Your vested member share may be taken in cash. If your non-vested benefit is less than R247 500, your non-vested member share may also be taken in cash. If your non-vested benefit is more than R247 500, then only one-third of the benefit may be taken in cash. The balance must be used to buy a pension. The cash payment may be subject to tax.
- Transfer your benefit to a preservation fund. Members must transfer their full retirement benefit to a preservation fund and will not be allowed to take a portion in cash.

### **3.3 Death benefit**

In the event of your death while you are still a member of the SUF: Sanlam Group, your entire investment (member share) will be allocated to your dependants and/or nominees.

Your family should notify the SUF: Sanlam Group and complete the relevant forms in order to have your death benefit paid out.

## **4. How to claim your benefits**

Once you are ready to withdraw your money from the SUF: Sanlam Group, you need to complete the relevant benefit claim forms. The forms can be obtained from [ssuf.enquiries@sanlam.co.za](mailto:ssuf.enquiries@sanlam.co.za)

## 5. The investment of your benefit in the SUF: Sanlam Group

- **Consider the investment risk**

When it comes to investing, there is a direct relationship between the risk taken and the returns achieved. The higher the risk the higher the potential long term returns, but also the greater the volatility of returns (tendency of markets to move up and down suddenly).

- **The investment menu available to you**

At the time you become a paid-up member, your investments will either stay in the same portfolios as they were prior to your termination from employment, or transferred to portfolio(s) as selected by you from the SUF: Sanlam Group investment menu.

You have further investment options. For information on the investment menu available to you, please consult the Investment Information Brochure at [www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx](http://www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx).

## 6. What does it cost to be a Paid-up member?

The following fees are payable and these are automatically deducted from your member share on a monthly basis:

<b>Administration fees</b>	There is an administration fee payable per month. The current fee will be reflected on your online benefit statement.
<b>Investment management fees</b>	Investment management fees are calculated and charged on monthly basis. The latest investment management fees are reflected in the Investment Information Brochure.

## 7. Keep in touch

Since you are no longer part of the communication channels of your previous employer, it is very important that you ensure Sanlam always has your latest contact details on record.

Please logon to [www.retirementfundweb.co.za](http://www.retirementfundweb.co.za) and update your personal details without delay.

The trustees and Sanlam will make use of the Retirement Fund Web Member Portal facility as the main communication tool to keep you informed of your benefits.

You have automatically access to this facility.

You may contact the web team for your access details via email: [retirementfundweb@sanlam.co.za](mailto:retirementfundweb@sanlam.co.za)

You can also obtain the following information on the SUF: Sanlam Group website at [www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx](http://www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx)

- SUF: Sanlam Group communication documents
- Information on investment returns and investment portfolios

For any enquiries, please send an email to [myretirementfund@sanlam.co.za](mailto:myretirementfund@sanlam.co.za) or [ssuf.enquiries@sanlam.co.za](mailto:ssuf.enquiries@sanlam.co.za)

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