



Credit insurance

Sanlam Employee Benefits pays out a benefit under Credit insurance, related to a member's outstanding debt, to financial institutions or employers granting credit, on the death of the member before retirement.

Benefits

Taking out credit insurance protects the borrower and lender in the case of death and disability of the borrower. Sanlam underwrites the risk for a wide variety of loans, e.g.

- ⊗ Pension backed loans
- ⊗ Loans from employers to employees
- ⊗ Micro-loans
- ⊗ Loans granted to farmers by agricultural co-operatives
- ⊗ Mortgages
- ⊗ Motor vehicle loans

The death benefits paid out to the credit institution can be equivalent to:

- ⊗ The outstanding balance of the loan;
- ⊗ The outstanding balance at the start of the year;
- ⊗ Fixed amounts; or
- ⊗ The loan less the member's share of their retirement fund in the case of a pension backed loan

Premiums

As membership is voluntary and individual members usually pay for credit insurance themselves, we apply differentiated rates per R1 000 cover per month, per age group and gender.

In the absence of a tangible employer/employee relationship, an effective administration office (front office), should be in place to collect premiums, reconcile data and premiums and communicate with all members of the scheme.

Suicide exclusion

A 24 (twenty-four) month exclusion will apply in respect of death directly or indirectly caused by, or traced to suicide or attempted suicide.

Supplementary benefits

The following benefit may be selected at scheme level:

Accelerated payment of the credit insurance at disability

In the event of a permanent disability claim an accelerated payment of the credit insurance becomes payable after a waiting period of 6 months.

Other benefit types

Debt helper package

This customised benefit is designed to assist families, who often find themselves faced with a myriad of small debts that need to be repaid when the head of the household or his/her partner passes away.

It consists of the following benefits:

	Funeral Aid	Debt Helper
⊗ Principal member	R55 000	R55 000
⊗ Qualifying spouse	R55 000	R55 000
⊗ Qualifying child aged 14 and over	R55 000	
⊗ Qualifying child between 6 and 13	R27 500	
⊗ Qualifying child younger than 6	R13 750	
⊗ Extended family member	R55 000	

These benefits are also both payable within 48 (forty-eight) hours of receipt of the last supporting documentation.

Conversion option

At cessation age, participating members younger than 66 years, may effect a similar individual policy with Sanlam without providing medical evidence of good health, subject to a minimum of 5 (five) years membership of the scheme and that the option facility under the scheme has been applicable for at least 1 (one) year. The option may be selected at scheme level.

The maximum option is equal to the average debt over the preceding 24 (twenty-four) months before the cessation or option date. This amount is also reduced by any amounts granted under any previously allowed option.

For more information, please contact your consultant or visit our website at www.sanlam.co.za.

This brochure provides a general summary of the products Sanlam offers. If there is a discrepancy between this Fact Sheet and the provisions of the contract with the Service Provider, the contract with the Service Provider will prevail.

Sanlam Life is a Licensed Financial Services Provider



Period in which the option can be exercised

Within 2 (two) months of cessation age subject to conditions above.

A member will also enjoy cover for a maximum period of two months after the cessation or option date equal to the life insurance under the scheme, even if the option had not yet been exercised.

Conversion option requirements

Sanlam's normal conditions

Burial repatriation benefit

This free service provides for the transportation of a deceased member's body or of a principal member (repatriation of mortal remains) via road or air to a funeral home closest to the place of burial in South.

Claims process

Sanlam must be notified of a claim for the benefit within 6 (six) months after the date of death.

Claim documents required

- Completed and signed death claim form
- Original certified copy of the death certificate
- Original certified copy of the identity document of both the insured and the nominee/beneficiary
- A copy of the marriage certificate or certificate of customary union in the case of a deceased spouse
- An original certified copy of the identity document of both the insured and the deceased spouse