



Sanlam Staff Umbrella Pension and Provident Funds (SSUF)

**Annual report to members for the period
1 April 2019 to 31 March 2020**

(Including detail of subsequent events up to 1 July 2020)

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Insurance

Financial Planning

Retirement

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Introduction

Covid-19 once again made us realise the importance of a retirement fund and proper financial planning.

The SSUF and related group life insurance benefits play a very important role in your financial planning. It is therefore important for you to have a sound knowledge of the SSUF and group insurance benefits and to understand your personal benefit statement. We encourage you to put a proper financial plan in place with the assistance of an accredited financial adviser.

Please visit the communication website of the SSUF (<https://www.sanlam.co.za/campaigns/myretirementfund/pages/default.aspx/>) for more comprehensive information on the different fund and related group life benefits.

The SSUF is managed by a dedicated Board of Trustees, individuals with expertise in the different aspects of fund management. It is a high priority for them to ensure that the benefits available to members are aligned with market trends and enabling each member to tailor his/her fund and group life benefits according to his/her personal financial needs.

You will find more detail in this report regarding the following changes implemented since our previous annual report.

**1 May
2019**

A new calculation basis for continuation and conversion options were implemented.

**1 July
2019**

Revised risk benefit structure was implemented in order to potentially limit future increases in the risk rates.

**1 January
2020**

An aggressive investment portfolio, the SIM Reg 28 Property Equity Fund, was added to the member investment menu.



Board of trustees

The Board of Trustees managing the SSUF comprises of ten trustees. The trustees serve for a 3 year term, but please note the change to the term of the trustees from Santam as indicated below.

Five of the trustees are elected by members of the SSUF and the other five are appointed by the principal employer after consultation with the different participating employers.

An alternate trustee is elected/appointed for every trustee to ensure continuation of activities during a trustee's absence.

In order to ensure fair representation of all the participating employers, the five member representatives are elected as follows:



Two from Sanlam Personal Finance (SPF)
(including Sanlam Sky);



One from Santam; and



One from Sanlam Investment Group (SIG);



One from the remaining businesses that include
the Sanlam Group Office, Sanlam Corporate and
Sanlam Emerging Markets (SEM).

The current member elected trustees and alternates are:

Business Unit	Trustee	Alternate	Term of service
*Santam	Maryke Kotze	André Lotz	1 March 2017 – 30 June 2021
SPF	Jannie van Zyl	Lize de la Harpe	1 July 2018 – 30 June 2021
SPF	Johann de Wet	Melanie Louw	1 July 2018 – 30 June 2021
SI	Wayne Hilton	Hendrik Scholtz	1 July 2018 – 30 June 2021
Other	PG Marais	**Marguerite Pretorius	1 July 2018 – 30 June 2021

***Change to term of service of trustees from Santam**

The term end date of the trustees from Santam was 28 February 2020. However, this was extended by agreement to 30 June 2021 to ensure that Santam members participate in the same trustee election process as the other members of the SSUF.

The SSUF rules were amended from 1 February 2020. In future there will be one trustee election process every 3 years for all members of the SSUF. This will allow Santam employees to also nominate and vote for candidates from other businesses.

The next election will be in 2021 when trustees will be elected for the term 1 July 2021 – 30 June 2024.

New member elected alternate trustee

**Marguerite Pretorius was appointed as from 1 June 2020 to replace PG Marais as alternate trustee. PG became a trustee as a result of David Gluckman's resignation as trustee.

The employer appointed trustees are primarily individuals with the applicable technical skills and experience in fund related matters, i.e. actuarial, risk, finance, investments, governance, legal and human resources.

The current employer appointed trustees and alternates are:

Area of expertise	Trustee	Alternate	Term of service
Finance/Investments/Legal	Rust de Jongh	Joseph Makgopa	1 March 2017 – 30 June 2021
Actuarial/Investments/Risk	Werner Barnard	Clifton Janse van Rensburg	1 July 2018 – 30 June 2021
Investments/Finance	Ralph Thomas	Jill Rose	1 July 2018 – 30 June 2021
Governance/Finance	Bernice Viljoen	Patrick Hartnic	1 July 2018 – 30 June 2021
HR/Legal/Governance	Vionne Tregurtha	Nomzamo Ngqulana-Kasana	1 July 2018 – 30 June 2021

Process to fill a vacancy on the Board of Trustees

As from 1 February 2020 the rules of the SSUF were amended to make it clear that a vacancy of a member elected trustee or alternate trustee on the Board of Trustees will be filled as follows:

In the case of a trustee, the alternate will fill the vacancy of the trustee. The vacancy of the alternate trustee position, of a member elected trustee, will be filled in numerical order from the candidates that obtained the highest to the lowest number of votes for that particular participating employer or group of employers during the previous trustee election process.

All persons nominated during the trustee election process for that specific term must remain available for serving on the Board of Trustees for the full term of office they would

have served if elected to the Board of Trustees. A list will be kept of the details of all nominated persons in descending order of the number of votes received in the election for each particular participating employer or group of employers.

Other Fund Officials

Principal Officer

Chrisna Swart

Tel: 021 947 8404

Email: chrisna.swart@sanlam.co.za

Deputy Principal Officer

Diana Petersen

Tel: 021 947 4853

Email: Diana.petersen@sanlam.co.za

Participating Employers

The SSUF is an umbrella fund for employers within the Sanlam Group with the following participating employers.

(Please note that linked to these employers are certain subsidiary companies that are also participating employers in the SSUF.)

Sanlam Group Office
Sanlam Emerging Markets
Sanlam Personal Finance
Sanlam Corporate
Sanlam Investment Group
Santam

Member statistics

Members	1 April 2019	1 April 2020
Active	12 160	13 036
Permanent Occupationally disabled	70	86
Paid-up	181	370
Phased retirees	46	53
In-Fund Living Annuitant	16	20

Financial soundness of the SSUF

The SSUF have once again received unqualified audit results from the auditors, PricewaterhouseCoopers. In addition the SSUF is subject to annual actuarial valuations and the latest actuarial valuations confirmed that both the Pension and Provident Funds were 100% funded and were in a sound financial position as on 1 April 2019.

The above can be attributed to the high level of governance, which entails various monitoring tools and checks and balances that are in place.

Rule amendments

For the period 1 April 2019 to 31 March 2020



Amendment date: 1 July 2019

The rules of the SSUF were amended to allow members at retirement the option to transfer their benefits to a retirement annuity fund or a preservation fund, subject to the provisions of the Income Tax Act.

Provident Fund (only) - The rules were amended to provide for a revised risk death cover structure in order to potentially limit future increases in the costs that could impact negatively on the retirement savings of members. Please refer to page 20 of this report.

Amendment date: 1 February 2020

To provide that the term of office for the trustees from Santam be extended to 30 June 2021.

To amend the procedure for the filling of vacancies in respect of trustees and alternates on the Board of Trustees.

To provide that the trustees may approve higher drawdown rates for living annuitants than the maximum otherwise determined by the trustees for normal circumstances, if recommended by the actuary of the SSUF and the trustees are of the opinion that there are circumstances warranting a higher drawdown percentage.

Provident Fund (only) - An employer surplus account for Sanlam Capital Markets was established in order to fund any possible deficits in the Defined Benefit Underpin Reserve Account.

Amendment date: 1 May 2020

To provide for an in-fund living annuitant to be able to change his/her drawdown rates as prescribed from time to time by the Minister of Finance in the Government Gazette, subject to the maximum rate allowed by the Board of Trustees.

Amendment date: 1 May 2020 (continued)

The Absence from Service provisions were amended to clarify that:

- Member and Employer contributions may only be suspended if the Total Guaranteed Package (TGP) of the member is Rnil during the period of absence, but such a member may still elect contributions to the SSUF that will be based on the TGP immediately before his/her absence from service.
- A member who receives his/her full TGP during the period of absence from service, must continue to make full contributions to the SSUF.
- A member who receives a reduced TGP (but not Rnil) during absence must continue to make contributions to the SSUF based on the reduced TGP, subject to a minimum of the risk contributions for cover under the Provident Fund. Alternatively, the member can elect to make contributions based on the TGP immediately before his/her absence from service.
- The death benefit and cost of cover under the Provident Fund during temporary absence will be based on the member's TGP that he/she received immediately before the commencement of temporary absence from service.

Amendment date: 1 June 2020

To provide for employees of ACA Employee Benefits (Pty) Ltd as on 31 May 2020 to join the SSUF on 1 June 2020 and their death benefits under the Provident Fund to be similar to the value of the cover that they were previously entitled to.

The Rules of the SSUF are available for members on the SSUF website
<https://www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx>



Rules And Regulations



Investments

Impact of Covid-19 on your retirement investments

We provide you with some answers to questions you may have on how the Covid-19 novel coronavirus might affect your retirement fund investments.

Question 1

How will my retirement fund savings be affected by Covid-19?

Answer: If you are invested in market-linked portfolios, over the short term, you may experience volatile returns. History shows it is not uncommon for markets to react negatively, and then to recover over the medium and long term. If past experience is to go by then there will, in time, be a recovery in financial markets as the Covid-19 novel coronavirus is brought under control eventually.

Question 2

How is my retirement fund savings protected against market uncertainties such as Covid-19?

Answer: Retirement fund portfolios are not only invested in equities, but are spread across various asset classes, such as bonds, property, cash and international assets, to reduce risk. Members' monies are also protected by the limitations of exposure to asset classes enforced by Regulation 28 of the Pension Funds Act.

Question 3

Should I switch my retirement fund money to another portfolio to reduce the risk exposure to equity (shares) markets?

Answer: You must be careful not to make hasty decisions in the moment, based on fear. Saving for retirement is a long-term strategy that involves many risks and uncertainty, i.e. market fluctuations from time to time. The best way to deal with uncertainty is through proper financial planning, together with patience, and persistence with the long-term investment strategy. Making emotional decisions, based only on short-term market fluctuations, to a long-term strategy may result in more harm than good and destroy long-term value to your savings.

Question 4

How will my retirement fund savings be affected if I am close to retirement?

Answer: If you are invested in the Sanlam Life-stage investment option, your investments are moved from high-risk portfolios to lower-risk portfolios gradually over a period starting six years before your normal retirement date. Lower-risk portfolios have less equity exposure, which reduces the impact of weak equity markets.

Whether you are invested in the life-stage investment option (the SSUF's default portfolio) or have specifically chosen your own investment portfolios, we strongly urge you to consult with a financial advisor, if you have not done so already, before you make any changes to your investment portfolio selection, so that you make sound financial decisions which are aligned to your retirement plan.

Question 5

What will the impact be if I choose to retire in the near future?

Answer: Consult with a financial advisor for reliable assistance. You also have the option to defer your retirement from the SSUF, even if you retire from the employer. What this means is that you can leave your retirement savings in the SSUF, until such time as the markets improve and you are ready to buy a pension, i.e. you postpone the payment of your retirement benefit.

Question 6

What will the impact be if I leave my current employer?

Answer: If you choose to take your benefit in cash at termination of employment, you could not benefit from any gains should

the market improves. Not only would you have lost out on the potential market improvement, but your benefit will also be taxed.

You have the option to preserve your money in the SSUF, i.e. make it paid-up, even if you leave your employer. This means that you may leave your retirement savings in the SSUF until such time as the markets improve. We strongly recommend that you consult with a financial advisor for guidance, before you make a decision about your retirement savings at termination of employment.



Distribution of members' fund values in the various investment portfolios:

Investment portfolios	1 April 2020
SIM Enhanced Cash	2.12%
Monthly Bonus	1.37%
Stable Bonus	8.70%
SIM Moderate Absolute	2.38%
SIM Moderate	5.34%
SMM NUR Balanced	0.72%
Allan Gray Global Balanced	16.54%
Coronation Managed	10.56%
SIM Aggressive	6.97%
SIM Reg28 Property Equity Fund	0.01%
Satrix High Equity Balanced	0.25%
Glacier Option	37.53%
Sanlam Life Stage Option	-
- Accumulator Portfolio	6.23%
- Capital Protection Portfolio	0.99%
- ILLA Preservation Portfolio	0.03%
Total	99.73%

The balance of 0.27% is unsold demutualisation shares held by certain members.

Changes in the SSUF investment environment

The Board of Trustees continuously monitor and review the investment menu to ensure optimal investment choice at the best possible fee structure.

The following changes were implemented since the previous report.

Addition of the SIM Reg28 Property Equity portfolio

The SIM Reg28 Property Equity Portfolio was added to the SSUF investment menu as from 1 January 2020.

The portfolio is different from other portfolios on the menu as it is very aggressive with up to 75% of its assets in equities and up to 25% in listed property. Offshore assets are currently limited to 25% although the regulatory limit has been raised to 30%.

This portfolio utilises the full limits of Regulation 28, and has an aggressive risk profile. As such it is generally suitable for younger members with an appropriate risk appetite. As the combined exposure to listed equity and property can be up to 100%, a long-term investment horizon is required as the portfolio has the potential for high volatility and significant negative returns over the short-term.

The benchmark is:

Asset class	Weight	Benchmark Index
SA Equity	56.0%	SWIX* excluding Listed Property
SA Listed Property	12.0%	SA Listed Property Index (J253)
SA Direct Property	5.0%	ALBI 7-12yrs +1%
Foreign Equity	18.0%	MSCI World (Developed Markets)
Foreign Listed Property	7.0%	FTSE EPRA/NAREIT Developed
SA Cash	2.0%	STeFI

* 50/50 SWIX / Capped SWIX Index from 1 June 2018.

Asset Management Fees

Basic Fees:

The first R100m	0.70%
The next R150m	0.60%
The next R250m	0.55%
The next R500m	0.50%
Excess over R1bn	0.45%

No performance fees and no admin charges

Fees of Glacier/SPW investment option were reduced.

The Glacier administration fees for members who are invested in the Glacier/SPW investment options were amended as follows as from 1 April 2020:

Old fee structure	% p.a.	New fee structure as from 1 April 2020	% p.a.
On the first R1 million	0.40	On the first R1 million	0.40
On the next R4 million	0.28	On the next R4 million	0.20
Thereafter	0.25	Thereafter	0.10

The new fee structure will result in a total fee saving of about R2.1 million per annum by SSUF members.



The investment performances of the Funds' various investment portfolios as at 1 April 2020 (See note 1)

Sanlam Staff Umbrella Pension Fund

Return (net of fees and tax) over the period stated below, ended on 1 April 2020

Period		SIM Reg28 Property Equity Fund	Allan Gray Global Balanced Portfolio	Coronation Managed Portfolio	Satrix High Equity Balanced Portfolio	SIM Aggressive Portfolio	SIM Moderate Portfolio	SIM Moderate Absolute Portfolio	SMM NUR Balanced Portfolio
3 months	Over the period	-	-13.76%	-18.50%	-20.06%	-17.89%	-16.40%	-5.46%	-13.28%
6 months	Over the period	-	-11.55%	-15.40%	-18.04%	-14.40%	-14.74%	-3.93%	-10.69%
9 months	Over the period	-	-10.25%	-15.06%	-17.52%	-14.22%	-14.31%	-1.73%	-11.38%
12 months	Over the period	-	-12.47%	14.66%	-15.59%	-12.62%	-12.32%	0.26%	-10.35%
24 months	Annualised	-	-3.59%	-5.66%	-	-2.57%	-3.36%	4.91%	-1.29%
36 months	Annualised	-	-0.76%	-2.89%	-	-0.44%	-0.53%	4.97%	-0.19%
60 months	Annualised	-	2.93%	0.65%	-	2.23%	1.57%	6.11%	1.80%
120 months	Annualised	-	8.21%	8.32%	-	8.71%	8.60%	9.01%	-
Since inception	Over the period	-23.11%	986.01%	707.20%	-16.51%	597.38%	847.12%	369.79%	18.13%
Since inception	Annualised	n/a	13.89%	12.07%	-8.98%	10.62%	10.27%	10.04%	2.70%
Inception date		01/02/2020	01/12/2001	01/01/2001	01/05/2018	01/01/2001	01/04/1997	01/02/2004	01/01/2014
Maximum drawdown (note 7)	over last 5 years	n/a	17.21%	22.71%	n/a	22.47%	20.45%	7.94%	16.00%
Average monthly drawdown (note 8)	over last 5 years	n/a	2.17%	2.32%	n/a	2.33%	1.94%	1.00%	1.80%
TER (see note 9)	as at 31 December 2019	0.70%	0.79%	0.81%	0.28%	0.53%	0.43%	0.48%	1.04%

Sanlam Staff Umbrella Pension Fund (continued)

Return (net of fees and tax) over the period stated below, ended on 1 April 2020

Period		Sanlam Lifestage Accumulation Portfolio	Sanlam Lifestage Capital Protection Preservation Portfolio	Sanlam Lifestage ILLA Preservation Portfolio	Stable Bonus Portfolio	Monthly Bonus Fund	SIM Enhanced Cash Portfolio
3 months	Over the period	-18.42%	1.68%	-14.33%	1.71%	1.48%	1.93%
6 months	Over the period	-15.92%	3.48%	-12.53%	3.53%	3.14%	4.00%
9 months	Over the period	-15.66%	5.21%	-11.90%	5.29%	4.70%	6.19%
12 months	Over the period	-13.74%	7.06%	-9.84%	7.18%	6.41%	8.49%
24 months	Annualised	-4.58%	6.74%	-2.88%	6.86%	6.12%	8.35%
36 months	Annualised	-1.73%	7.16%	-0.13%	7.28%	6.58%	8.24%
60 months	Annualised	-0.16%	-	-	8.10%	7.48%	7.95%
120 months	Annualised	-	-	-	10.82%	9.81%	6.96%
Since inception	Over the period	89.88%	43.15%	10.79%	623.17%	490.61%	519.95%
Since inception	Annualised	7.46%	7.70%	2.14%	12.34%	11.01%	8.26%
Inception date		01/05/2011	01/06/2015	01/06/2015	01/04/2003	01/04/2003	01/04/1997
Maximum drawdown (note 7)	over last 5 years	22.12%	n/a	n/a	0.00%	0.00%	0.00%
Average monthly drawdown (note 8)	over last 5 years	2.63%	n/a	n/a	n/a	n/a	n/a
TER (see note 9)	as at 31 December 2019	0.84%	1.40%	0.88%	1.30%	2.06%	0.15%



Sanlam Staff Umbrella Provident Fund

Return (net of fees and tax) over the period stated below, ended on 1 April 2020

Period		SIM Reg28 Property Equity Fund	Allan Gray Global Balanced Portfolio	Coronation Managed Portfolio	Satrix High Equity Balanced Portfolio	SIM Aggressive Portfolio	SIM Moderate Portfolio	SIM Moderate Absolute Portfolio	SMM NUR Balanced Portfolio
3 months	Over the period	-	-13.77%	-18.51%	-19.99%	-17.89%	-16.41%	-5.46%	-13.28%
6 months	Over the period	-	-11.55%	-15.41%	-17.94%	-14.41%	-14.74%	-3.94%	-10.70%
9 months	Over the period	-	-10.26%	-15.08%	-17.48%	-14.23%	-14.32%	-1.74%	-11.33%
12 months	Over the period	-	-12.47%	-14.67%	-15.36%	-12.62%	-12.32%	0.25%	-10.30%
24 months	Annualised	-	-3.58%	-5.68%	-	-2.58%	-3.36%	4.91%	-1.27%
36 months	Annualised	-	-0.75%	-2.90%	-	-0.44%	-0.52%	4.97%	-0.16%
60 months	Annualised	-	2.95%	0.63%	-	2.23%	1.57%	6.11%	1.80%
120 months	Annualised	-	8.25%	8.29%	-	8.72%	8.60%	9.06%	-
Since inception	Over the period	-24.05%	991.24%	703.83%	-16.82%	597.83%	847.31%	371.41%	18.21%
Since inception	Annualised	n/a	13.92%	12.04%	-9.16%	10.62%	10.27%	10.07%	2.71%
Inception date		01/02/2020	01/12/2001	01/01/2001	01/05/2018	01/01/2001	01/04/1997	01/02/2004	01/01/2014
Maximum drawdown (note 7)	over last 5 years	n/a	17.22%	22.73%	n/a	22.48%	20.46%	7.94%	16.01%
Average monthly drawdown (note 8)	over last 5 years	n/a	2.17%	2.32%	n/a	2.33%	1.94%	1.00%	1.80%
TER (see note 9)	as at 31 December 2019	0.70%	0.79%	0.81%	0.28%	0.53%	0.43%	0.48%	1.04%

Sanlam Staff Umbrella Provident Fund (continued)

Return (net of fees and tax) over the period stated below, ended on 1 April 2020

Period		Sanlam Lifestage Accumulation Portfolio	Sanlam Lifestage Capital Protection Preservation Portfolio	Sanlam Lifestage ILLA Preservation Portfolio	Stable Bonus Portfolio	Monthly Bonus Fund	SIM Enhanced Cash Portfolio
3 months	Over the period	-18.46%	1.68%	-15.07%	1.71%	1.48%	1.93%
6 months	Over the period	-15.95%	3.47%	-13.28%	3.53%	3.15%	3.99%
9 months	Over the period	-15.68%	5.19%	-12.66%	5.29%	4.70%	6.18%
12 months	Over the period	-13.78%	7.05%	-10.61%	7.18%	6.42%	8.48%
24 months	Annualised	-4.64%	6.74%	-3.29%	6.86%	6.12%	8.40%
36 months	Annualised	-1.77%	7.16%	-0.37%	7.28%	6.58%	8.28%
60 months	Annualised	-0.19%	-	-	8.10 %	7.48%	7.99%
120 months	Annualised	-	-	-	10.82%	9.81%	6.98%
Since inception	Over the period	90.11%	43.10%	9.53%	623.07%	491.04%	521.20%
Since inception	Annualised	7.47%	7.70%	1.90%	12.34%	11.02%	8.27%
Inception date		01/05/2011	01/06/2015	01/06/2015	01/04/2003	01/04/2003	01/04/1997
Maximum drawdown (note 7)	over last 5 years	22.25%	n/a	n/a	0.00%	0.00%	0.00%
Average monthly drawdown (note 8)	over last 5 years	2.63%	n/a	n/a	n/a	n/a	n/a
TER (see note 9)	as at 31 December 2019	0.80%	1.40%	0.88%	1.33%	2.06%	0.15%



Please note:

- 1. The returns as on 1 April 2020 were significantly impacted by the volatility in the investment markets as a result of the Covid-19 pandemic. Since 1 April 2020 there has been a good recovery in the markets. For the latest returns, please visit the SSUF website at: <https://www.sanlam.co.za/campaigns/myretirementfund/stayinformed/Pages/investments.aspx>*
- 2. The returns above are net of investment manager fees. Rates published by the asset managers are time weighted to remove the effect of cashflows and are gross of investment manager fees and may therefore differ from returns published in this report.*
- 3. There is currently a two day time lag on member records shown on the administrator's website and the actual position at the fund manager. This means that the investment data for each portfolio, reported on 1/04/2020 (for example) is actually the investment data as at 30/03/2020.*
- 4. The Allan Gray Global Balanced portfolio is available to members as from 1/6/2015. The monthly returns before this date are the Allan Gray Domestic Balanced portfolio's returns.*
- 5. The Sanlam Lifestage Accumulation portfolio was opened on 1/6/2015. The monthly returns before this date are the Simeka Lifestage Accumulation portfolio's returns.*
- 6. This report summarises returns for the fund's total portfolio. Returns received by a particular member may have small differences depending on actual cashflow, investment options and accumulated credits.*
- 7. The maximum drawdown that is shown above is defined as the lowest cumulative negative return that a member's investment has earned over any period within the last 5 years. For example, if the maximum drawdown is 5%, then it means that over the last 5 years there was a period where a member's investment reduced to 95% of its highest value prior to the period of decrease. This measure is a measurement of how volatile or "risky" a portfolio has been in the recent past, based on the view that the higher the drawdown, the riskier the portfolio.*
- 8. The average monthly drawdown is defined as the average monthly negative return of all the months which the portfolio experienced a negative return.*
- 9. The total expense ratio (TER) is a measure of the total cost associated with managing and operating an investment portfolio. These costs consist primarily of management fees and additional expenses, such as platform fees, performance fees etc. The total investment cost of the fund is divided by the fund's total assets to arrive at a percentage amount (using a rolling three year period if available), which represents the TER.*

Conditions for changing (switching) your investment portfolio selection

- ① Members may change their investment portfolio selection at any stage.
- ② Members can make the change online via the Member Portal or complete the manual form included in the Investment Information Brochure that is available on the SSUF Communication Website.
- ③ The total cost of changing the investment portfolio(s) of your fund value will be R1 076 (VAT included). It is R538 per fund being the Pension Fund and the Provident Fund. This charge will be recovered from your fund value. The cost of R1 076 is for a total instruction to be implemented.

Important:

- ① Members are entitled to one free investment switch per calendar year, thereafter the fee above per change instruction will apply.
- ② Members' investment instructions will be implemented on both the Pension Fund and the Provident Fund, unless the member completes the manual Investment Option Form and indicates specifically that a different investment instruction should be implemented for each of the Pension and Provident Fund.
- ③ Changes to the ratio in which members' future monthly contributions are invested will be free of charge.

Process regarding investment of monthly contributions

Members enquire from time to time why their contributions are not invested on payday. The monthly contributions deducted from each member's remuneration are paid into the bank account of the SSUF by the employer before the end of the specific month.

The employer also provides a breakdown to indicate each member's contributions to the fund administrator.

In terms of the Service Level Agreement the fund administrator has to reconcile the data provided by the employer with the members' fund records within 5 working days. Only once the reconciliation is done, can the contributions be invested in the member's selected investment portfolios.

Demutualisation shares (only applicable to members who were members of the SSUF before 1 April 1998)

The demutualisation benefit allocated to you by the fund, was expressed in the form of a number of shares. (See your benefit statement for the current value of the shares allocated to you.) In accordance with the demutualisation scheme approved by the Court, the shares belong to the fund and cannot be converted to cash and paid to members.

Members or their dependants / nominees can only become entitled to the demutualisation benefit when a benefit from the fund accrues to them or their dependants/nominees, i.e. in case of retrenchment, dismissal, resignation, retirement or death.

These shares are taken into consideration to ensure that the investments of the individual members in the SSUF comply with Regulation 28. The Principal Officer will make contact with the relevant members in the case of non-compliance in order to agree on a strategy to ensure compliance with Regulation 28.

Option

Members can also at any stage instruct the fund to sell the demutualisation shares allocated to them, if they prefer to do so. In order to sell the shares, please send an e-mail request to chrisna.swart@sanlam.co.za

The trading value will be added to the member's fund value and be invested in the same investment portfolio(s) and ratio in which the member's monthly contributions will be invested.

The shares will be sold as soon as possible and the average price over the trading period (minus trading costs) will be used to determine the value.

Please note the following:

- ① The shares of members who become entitled to a benefit from the fund before they have exercised the option to sell the shares allocated to them, will be sold after notice of resignation / retirement was received by the employer. The share value will be paid to them as part of their resignation or retirement benefit.
- ② Members whose shares were not sold before termination of membership, will annually receive any dividends earned on these shares (before trading) by means of a special contribution added to their fund benefits.


Investment Policy Statement (IPS)

Regulation 28 of the Pension Funds Act requires each fund to have an Investment Policy Statement that contains detail of the funds' investment philosophy, objectives, strategy, etc. The IPS of the SSUF also contains details regarding the application of the principles of the Code for Responsible Investing in South Africa (CRISA) and matters relating to sustainability.

The latest updated version of the IPS includes detail of the extent to which the existing default investment portfolio complies with Regulation 37.

The IPS is reviewed annually by the Investment Committee and adopted by the Board of Trustees.

A copy of the latest revised IPS is available on the SSUF website under the Investment pillar.



Revised benefit structure

Applicable as from
1 July 2019

SSUF: In-fund death cover (Approved cover)

The premium for this cover is deducted from your contribution towards retirement savings and therefore reduces the amount you are saving into the fund each month. The benefit payable upon your death is taxable.

Options applicable as from 1 July 2019

Upon appointment, members are able to select a cover level subject to a maximum of 3 x TGP (Total Guaranteed Package).

- ④ **Increase of cover at annual flex event and certain life events**
Only members with cover levels lower than 3 x TGP will be allowed to increase their cover, subject to the following conditions:
 - Members 50 years and older will have to provide proof of good health for any increase.
 - For members younger than 50 years, any increase, other than 1 x TGP, within 3 months of marriage or birth of a child will be subject to proof of good health.

- ④ **Decrease of cover**
Members will be allowed to reduce their cover levels annually during future flex events.

Note: As members, appointed before 1 July 2019, who enjoy more than 3 x TGP cover, move through the age bands their cover will automatically be reduced according to the maximum cover levels per age band applicable to them.

Group Life Cover (Unapproved cover)

The premium for this cover is a separate deduction from your pay. (See premium on your payslip.) The benefit payable upon your death or disability is tax-free.

New conditions regarding cover levels applicable as from 1 July 2019

- ④ The maximum cover level effective 1 July 2019 is 3 x TGP.
- ④ Existing members with cover levels higher than 3 x TGP may retain their cover levels, but no future increases will be allowed.
- ④ Members may reduce their cover, subject to a minimum of 0.5 x TGP.
- ④ Any increase in cover will be subject to proof of good health.
- ④ Upon appointment, members will be able to select a cover level of a maximum of 3 x TGP, the default being 1 x TGP.

New continuation option structure

At retirement or in case of retrenchment with 15 years uninterrupted service, members may continue with their group life cover at group rates, subject to certain conditions.

As from 1 May 2019 the amount for the continuation option is calculated in the same manner as the conversion option amount (the option to convert the cover to individual life insurance).

Calculation basis for continuation and conversion option amounts

Cover amount as on date of termination of service multiplied by 5% for each year of completed service as on the date of termination of employment, maximum 100%. Employees appointed before 1 May 2018 qualify for a minimum of 25% of their cover as on the date of termination of employment.

Examples:

Appointment date	01-06-2018	01-01-2015	01-01-2001
Before/After 1 May 2018	After	Before	Before
Exit date	31-12-2019	31-05-2019	30-06-2019
Completed years of service	1 year	4 years	18 years
Cover % that may be continued	5% x 1 = 5%	5% x 4 = 20% Minimum = 25%	5% x 18 = 90%
Group life death cover continuation amount	R900 000 x 5% = R45 000	R900 000 x 25% = R225 000	R900 000 x 90% = R810 000



Spouse's cover and Trauma (Critical Illness) cover

New conversion option structure

At termination of employment members have the option to convert the above cover to individual insurance (Conversion Option).

As from 1 May 2019 the conversion option amount for spouse's and trauma cover is calculated as follows:

Cover amount as on date of termination of service multiplied by 5% for each year of completed service as on the date of termination of employment, maximum 100%. Employees appointed before 1 May 2018 qualify for a minimum of 25% of their cover as on the date of termination of employment.

Thus, the same formula that applies to group life cover will also apply to spouse's and trauma cover. See examples on page 21.

In summary: As from 1 May 2019 the calculation basis for the continuation and all conversion options for group life cover are the same.



Revised rates

As from 1 April 2020

The premium rates of the death and other risk benefits provided to the members of the SSUF are revised annually by the insurer based on the claims experience.

Over the last four years there has been an adverse and deteriorating claims experience, which resulted in above inflation increases in the rates. Extensive investigation of alternative solutions to limit the proposed rate increases was undertaken, including analysing claims to determine trends or emerging patterns, restructuring the death benefit options, review of medical underwriting conditions, etc.

The trustees are pleased to advise that the rates applicable as from 1 April 2020 remained unchanged. They will continue to monitor the impact of the revised structures that were implemented during 2018 and 2019 to ensure that the revised benefit structure limits the increase in premiums as well as provide adequate benefits.

The different rates for the applicable benefits are as follows:

01 Sanlam Staff Umbrella Provident Fund (SSUF – death benefits)

The premiums of members who selected a lower/higher cover level decrease/increase according to the rate applicable to their age band. (See table below.)

Age band	Revised rate per R1 000 as from 1 May 2019
Younger than 26 years	R0.185
26 – 30 years	R0.138
31 – 35 years	R0.144
36 – 40 years	R0.161
41 – 45 years	R0.168
46 – 50 years	R0.193
51 – 55 years	R0.193
56 years and older	R0.241

The combined proof-free limit for group life insurance and SSUF death benefits on a member's life remained unchanged at R15m.

Explanatory note regarding proof-free limits

Proof of good health will be required for cover amounts that exceed the proof-free limits.



02 Group life insurance

➤ **Cover on the member's life**

The rate for group life insurance (lump-sum disability and death benefits) is R0.244 per R1 000 cover.

The combined proof-free limit for group life insurance and SSUF death benefits on the member's life remained unchanged at R15m.

➤ **Cover on the member's spouse life**

- The rate for group life spouse's insurance at R0.236 per month per R1 000 cover; and
- The proof-free limit for spouse's insurance at R1.4m.

03 Critical Illness Insurance

The rates for the trauma insurance are as follows:

- ④ **Standard cover:** The rate is R0.280 per month per R1 000 cover.
- ④ **Comprehensive cover:** The rate is R0.373 per R1 000 cover.

The maximum allowable critical illness cover (as well as the proof-free limit) is R1.5m.



04 Family Insurance

The benefits payable are as indicated below:

	Option 1	Option 2
Principal member	R29 000	R58 000
Qualifying spouse	R29 000	R58 000
Qualifying children of 14 years and older	R29 000	R58 000
Qualifying children of 6 years and older, but younger than 14 years	R15 950	R31 900
Qualifying children younger than 6 years, or a stillborn child	R10 000	R20 000
Parents (who are insured)	R7 500	R15 000

The rates for family insurance are:

	Option 1	Option 2	Additional parent cover
Premium for principal member, spouse and children	R8.75 per month	R17.50 per month	-
Premium for parents	R22.50 per parent per month	R45.00 per parent per month	R40.00 per parent per month
Premium for additional spouse	R 4.00 per spouse per month	R 8.00 per spouse per month	-

05

Income Care Insurance

- The rate of the income disability benefit is 0.885% of Total Guaranteed Package;
- The maximum for the Top-up benefit is R67 000; and
- The proof-free limit is R130 000 per month. (A limit of R165 000 is applicable to members who entered before 1 May 2011.)





Default regulations

As a retirement fund member it is important that you have an understanding of the default regulations (new legislative requirements) that were implemented as from 1 March 2019.

The default regulations consist of four components; i.e.:

- ① **Regulation 37** – Every fund must have a default investment portfolio;
- ① **Regulation 38** – At termination of employment the benefit of the member will be made paid-up (preserved in the fund), unless the member gives an instruction in writing to transfer the benefit to another approved fund or request that the benefit be paid out in cash;
- ① **Regulation 39** – Every fund must have an annuity strategy determined by the trustees as the most appropriate pension option for the average member at retirement.
- ① Members must be given access to retirement benefits counselling, which either can be in writing or in person, prior to withdrawal benefit or retirement benefit is paid out or transferred to another fund.

01 Lifestage Option (default investment option) – Regulation 37

As the SSUF is generally structured towards long-term saving a member must recognise that there is investment risk associated with the options provided. Members may choose to invest their fund value differently from future contributions to manage their risk.

The fund value and contributions of members will be invested in the default option unless the SSUF was instructed by the member in writing to invest his/her fund value/contributions in another investment portfolio(s).

What are the features of the Sanlam Lifestage Option?

- ④ Sanlam Lifestage aims to provide members with a holistic investment offering that remains suitable throughout a member's retirement savings journey, initially providing a growth-focused accumulation portfolio.
- ④ It supports members in their retirement planning by aligning a member's investments to their post-retirement income strategy in more conservative preservation portfolios.
- ④ Starting at 6 years from retirement, the member is gradually switched from the Sanlam Lifestage

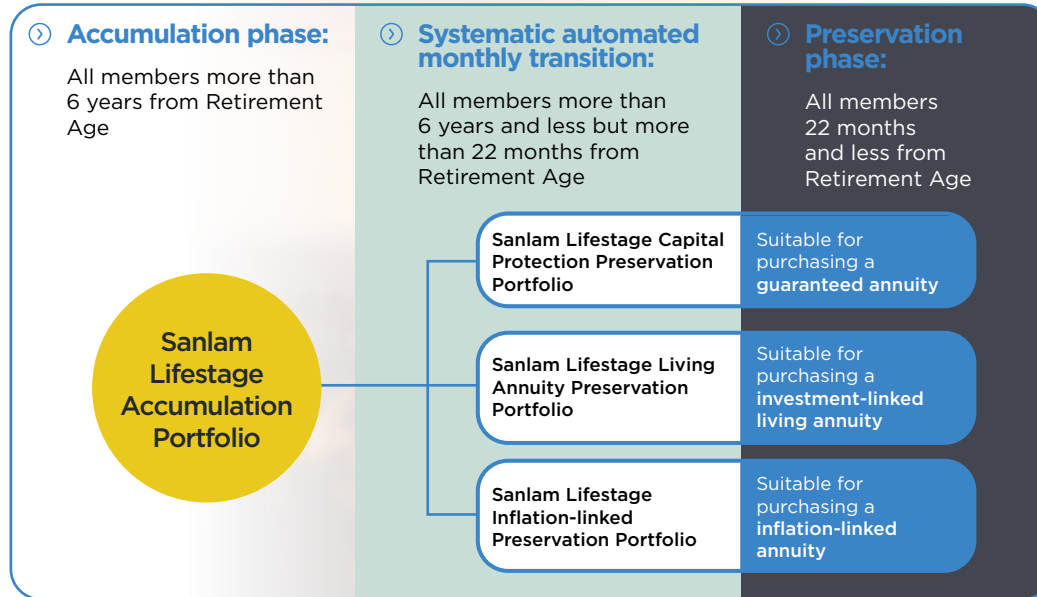
Accumulation Portfolio to his or her selected preservation portfolio by means of 50 monthly switches. The process is completed 22 months before retirement, at which time the member is fully invested in their nominated preservation portfolio.

A member may select the preservation portfolio best suited to his or her retirement needs.

- ④ Members who join the SSUF within 6 years before retirement, and who are invested in the default option, will be phased into the Sanlam Lifestage Capital Protection Preservation Portfolio.
- ④ The design of the Sanlam Lifestage Option offers you a choice of three different preservation portfolios to better match your fund value to your post-retirement annuity choice. You are granted the opportunity to align your fund value to your post retirement annuity 6 years before retirement. The Sanlam Lifestage Preservation Portfolios target the following annuities:

Portfolio	Targeted Annuity
Preservation: Capital Protection	a Guaranteed Annuity
Preservation: ILLA	an Investment-linked Living Annuity
Preservation Inflation Linked	an Inflation Linked Annuity

Below is a graphic illustration of the functionality and design of the Sanlam Lifestage Option



02 Paid-up Members - Default preservation: Regulation 38

What is a Paid-up Member?

You become a Paid-up Member of the SSUF at termination of employment (other than retirement), from your employer in the Sanlam Group, if you;

- ② chose to leave your member share (your entire fund value) in the SSUF, or
- ② you did not submit the prescribed option forms regarding your fund benefit before termination of your employment.

Paid-up members remain non-contributing members of the SSUF until they withdraw from the SSUF. The member share of a paid-up member remains invested in the SSUF and continues to earn investment returns. The SSUF Rules still apply.

Advantages of being a paid-up member

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

- ② You avoid the hassle of having to transfer your retirement savings (member share) to another retirement fund.
- ② You can continue to invest your member share in any of the investment portfolios available to SSUF members.
- ② You continue to benefit from the favourable tax treatment of your retirement savings within the SSUF.

- ② Your member share will be preserved until the date you elect to withdraw the money; your retirement; or death, whichever happens first.
- ② You have the advantage of low administration and investment fees.

What benefits will you have?

The following benefits apply to Paid-up Members of the SSUF:

Withdrawal benefit

Paid-up Members may decide to withdraw their member share from the SSUF at any stage before normal retirement date (NRD). If you withdraw after NRD, you are retiring from the SSUF.

At withdrawal, the entire member share of the Paid-up Member become payable, and the member has the following choices:

- ② Transfer the entire benefit to another registered pension fund, provident fund, preservation fund or retirement annuity fund.
- ② Take a portion of the 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.
- ② Take the entire benefit in the form of a taxable cash lump sum.

What are the tax implications when a Paid-up Member withdraws his/her benefit?

In terms of the current tax regime, benefits transferred to another approved fund are not taxed, except for a transfer from a pension fund to a provident fund; or to a provident preservation fund.

If a cash lump sum is selected, then it will be taxed according to the relevant tax tables at the time of the 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 SSUF.

Retirement benefit

A paid-up member may decide to retire from the SSUF at any stage on or after normal retirement date. The entire investment (member share) will become payable as a retirement benefit and the member has the following choices:

- ④ Use the retirement benefit to buy an annuity (monthly pension) from Sanlam or another registered provider of such products.
- ④ Take a portion of the retirement benefit in the form of a taxable cash lump sum, not higher than the permitted maximum, and use the rest to purchase an annuity (monthly pension) from Sanlam or any other registered provider of such products.
 - In respect of the provident fund, the member can take the entire retirement benefit in the form of a cash lump sum.
 - In respect of the pension fund, the member can take maximum one-third of the entire retirement benefit in the form of a taxable cash lump sum. If the entire retirement benefit is less than R247 500, then the full amount can be taken as a cash lump sum.
- ④ Subject to certain conditions, members may use their retirement benefit to receive an annuity (monthly pension) from the SSUF (In-fund living annuity).

The investment menu available to Paid-up members

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

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

The following fees are payable and these are automatically deducted from the member share of the Paid-up member on a monthly basis:

Administration fees	There is a monthly administration fee payable. The current fee is R72.73 p.m. (incl. VAT) and will be reflected on your online benefit statement.
Investment management fees	The latest investment management fees as applicable to all SSUF members that are reflected in the Investment Information Brochure. Investment management fees are calculated and charged on a monthly basis. The net investment return is added to your fund credit.

Keep in touch

Since Paid-up members are no longer part of the communication channels of Sanlam as their former employer, it is vitally important that they ensure that Sanlam always has their latest contact details on record.

They can logon to www.retirementfundweb.co.za to update their personal details.

Paid-up members can make use of the Retirement Fund Web Member Portal facility to remain informed of their benefits. They have automatic access to this facility.

03 Annuity Strategy – Regulation 39

In terms of Regulation 39 “Annuity Strategy” means a strategy, as determined by the trustees, setting out the manner in which a member’s retirement savings may be applied, with the member’s consent, to provide an annuity or annuities by the fund or to purchase an annuity on behalf of the member from an external provider, which annuity or annuities may either be in the name of the member or in the name of the fund and which complies with the requirements of regulation 39 and any conditions that may be prescribed from time to time.

The annuity strategy, established by the trustees, must represent the fund’s best proposal for the average member of the fund in order to assist those members who do not feel comfortable making their own decisions at retirement.

The SSUF trustees had considered different annuities for different categories of members.

As a member you need to consider the annuity strategy as set out below and decide if this is the option that best meets your needs.

If so, please ensure you follow the process as explained below for the implementation thereof:

	Life annuity	Living annuity (IIla)
Member category	Members with an after commutation combined retirement benefit in the SSUF of less than R1 million..	Members with an after commutation combined retirement benefit in the SSUF of R1 million or more.
Provider	A Sanlam Corporate (SC) policy will be issued in the name of the annuitant (pensioner).	Annuitant (pensioner) will receive a pension from the SSUF.

	Life annuity	Living annuity (IIla)																								
<p>Level of income (pension payable)</p>	<p>SC will provide a quote to each individual member on request. (Please refer process based on the following features:</p> <ul style="list-style-type: none"> • If married, then at death of the pensioner the spouse will receive a pension equal to 75% of what the pensioner received at time of death. • Pension will be guaranteed to pay for 5 years (in case of death within 5 years from retirement date). <ul style="list-style-type: none"> • Pension will increase annually on 1 April at a fixed rate of 5%. • No 13th cheque payable. • No death benefit payable, other than the pension to a qualifying spouse. 	<p>Member decides at retirement date and annually thereafter on the % (drawdown rate) of capital that should be paid as a monthly pension.</p> <p>The drawdown rate is subject to the following maximums determined by the SSUF Board.</p> <table border="1" data-bbox="970 359 1469 598"> <thead> <tr> <th>Age</th> <th>Males</th> <th>Females</th> </tr> </thead> <tbody> <tr> <td>55</td> <td>4.5 %</td> <td>4.0 %</td> </tr> <tr> <td>60</td> <td>5.0 %</td> <td>4.5 %</td> </tr> <tr> <td>65</td> <td>5.5 %</td> <td>5.0 %</td> </tr> <tr> <td>70</td> <td>5.5 %</td> <td>5.0 %</td> </tr> <tr> <td>75</td> <td>6.0 %</td> <td>5.5 %</td> </tr> <tr> <td>80</td> <td>7.0 %</td> <td>6.0 %</td> </tr> <tr> <td>85</td> <td>8.0 %</td> <td>7.0 %</td> </tr> </tbody> </table> <p>Example</p> <p>Male, age 60 with after commutation retirement benefit in SSUF of R1 million.</p> <p>Maximum drawdown: $5\% \times R1 \text{ million} = R50\,000 \text{ pa}$</p> <p>Initial Monthly pension = $R50\,000 \div 12$ $= R4\,166.67 \text{ pm}$</p> <p>Pension in year 2 will be 5% of the accumulated retirement benefit at that stage.</p>	Age	Males	Females	55	4.5 %	4.0 %	60	5.0 %	4.5 %	65	5.5 %	5.0 %	70	5.5 %	5.0 %	75	6.0 %	5.5 %	80	7.0 %	6.0 %	85	8.0 %	7.0 %
Age	Males	Females																								
55	4.5 %	4.0 %																								
60	5.0 %	4.5 %																								
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70	5.5 %	5.0 %																								
75	6.0 %	5.5 %																								
80	7.0 %	6.0 %																								
85	8.0 %	7.0 %																								

	Life annuity	Living annuity (IIla)
The investment	No investment option. SC carries the investment risk.	The retirement benefit of the member in the SSUF will be invested in the Stable Bonus Portfolio. Members do not have the option to select other investment portfolios. Please refer to the fact sheet of the portfolio for detail of the asset composition and performance.
Risks <ul style="list-style-type: none"> • Longevity (the risk that the pensioner will outlive the retirement capital) • Inflation risk (the risk that the pension escalation does not keep pace with inflation) 	Not applicable as the pension quoted will be paid for life. Important: Pension structure cannot be changed after inception date. Protection is provided to certain extent, as pension will annually increase with 5%. If inflation is higher than 5%, then inflation risk becomes applicable.	Longevity risk is applicable as a result of the fact that the member carries the investment risk. Important: The In-Fund IIIa can at any stage be converted to a life annuity. No guarantees can be provided to protect the pensioner. Inflation risk becomes applicable if the annual investment return (after payment of the pension) is lower than the applicable inflation rate at that stage.
Level of income protection granted to beneficiaries in the event of death of the pensioner.	In the case of a pensioner who was married at date of retirement, and still married to the same spouse at date of death, that spouse will qualify for a pension of 75% of the pension payable to the pensioner.	At death of the pensioner the remaining assets of the pensioner's retirement benefit that were not paid out can be paid out to, or provide an income to, beneficiaries.
Fees and charges (Incl VAT)	<ul style="list-style-type: none"> • R25 per pensioner per month (increasing in line with pension increase); • A once-off fee of a maximum of 0.3615% of the purchase price. • A once-off fee of R350 per pensioner. 	Basic administration fee per month: R192.00 (Incl VAT) for both funds. In the case of only one fund the cost is R128.00 (Incl VAT).

	Life annuity	Living annuity (Illa)
Benefits (Advantages)	<ul style="list-style-type: none"> • Pensioner have certainty about future pension payments. • Annual pension increase of 5% guaranteed. 	<ul style="list-style-type: none"> • Pensioner can select level of income (subject to a maximum and a minimum limit). • Remaining capital at death will be payable to the pensioner's dependants and/or nominees.
Pensioner profile suitable for different annuities	<p>Pensioners who:</p> <ul style="list-style-type: none"> • Are not willing to tolerate the risk that their pension source may run out at some point before death. • Want to ensure that their spouse receives a pension after their death. • Are not prepared to carry any investment risk. • Are single with no financial dependants. 	<p>Pensioners who:</p> <ul style="list-style-type: none"> • Can bear the investment risk and the possible effect on their pension. • Understand the limitations of the applicable maximum drawdown rates. • Understand that their pension can decrease as a result of market volatility. • Have other sources of capital that can supplement their income after retirement in times when their pension decrease as a result of market volatility.
Process to follow for implementation	<p>To obtain the form for a quotation for a life annuity. Please send an email to either tania.abrahams@sanlam.co.za or chrisna.swart@sanlam.co.za</p>	<p>To obtain the form for the In-Fund Living annuity, please send an email to either tania.abrahams@sanlam.co.za or chrisna.swart@sanlam.co.za</p>



04 Retirement Benefits Counselling

Retirement Benefits Counselling as defined in the regulations means the disclosure and explanation, in clear and understandable language, including risks, cost and charges of:

- ④ The available investment portfolios;
- ④ the fund's annuity strategy;
- ④ the paid-up process; and
- ④ other options available to fund members.

Retirement benefits counselling may be provided either in person or in a written format, and the fund must retain record of the information provided. It is important to note that retirement benefits counselling does **not** include advice and that members need to ensure that they obtain advice from their personal financial adviser when a benefit becomes due to them.

SSUF members are provided with full detail as required by the regulations, in writing, by the HR department at termination of employment and retirement.

It is very important that you ensure you have a good understanding of the options available to you and consult with a financial adviser before you make your selection regarding the benefits payable to you.



Retirement app empowers SSUF members

Do you know what your retirement benefits will be? The Sanlam My Retirement Member App puts all the information you need at your fingertips.

The My Retirement Member App enables members of the Sanlam Staff Umbrella Pension and Provident Funds (SSUF) to be more hands-on with their retirement savings.

You can, via the App, view:

- ① your current retirement savings and benefits, including risk benefits;
- ① the beneficiaries you nominated to receive the benefits should you die;
- ① where your retirement savings are invested;
- ① your monthly contribution rates; and
- ① the investment fund fact sheets.

Furthermore, the Retirement calculator:

- ① Calculates your benefits at retirement (replacement ratio); and
- ① assists you with selecting an appropriate contribution rate.

How to access to your Online View, please follow the steps below:



First you have to access Sanlam Secure Services. Here are the steps:

- 1 Have your **retirement fund member number or ID number** handy before you start. (The Sanlam product number is your Retirement fund member number that is on your SSUF benefit statement on MyWorkspace).
- 2 Go to <https://cp.sanlam.co.za/>
- 3 Select **REGISTER** and **INSERT** your member number or ID number and click **SEARCH**.
- 4 **CONFIRM** your cell number and your email address. Click **NEXT**.
- 5 **CHOOSE** a **USERNAME**. A temporary password will be sent to your cell phone number or email address.
- 6 **ENTER** the temporary password that was sent to you and **CHANGE your password** as the temporary password may only be used once.

Experience any problems?

If you busy registering and need any assistance please, contact or WhatsApp the Contact Centre on 0861 223 646 or e-mail them on scclientcare@sanlam.co.za


Install the app by searching 'Sanlam My Retirement':

- ▶  at the Google Play store for all Android phones; and
- ▶  at the Apple App Store for iPhones.

SSUF members can log in to the App using their Sanlam Secure Service login details.

This App ultimately empowers you to improve your retirement outcome!





Options in the case of promotion, marriage, death of a spouse, birth/adoption of a child and divorce:

Members have the option of increasing their life cover, subject to certain conditions, in the case of promotion, marriage, death of a spouse, birth/adoption of a child and divorce.

The relevant options must be exercised in the prescribed format and submitted to Human Resources along with the required documents, within three (3) months of the event.

Should the required option form and supporting documents not reach Human Resources Support Office within the prescribed time period, the option will lapse and will not be implemented.

The option forms and full details are available on the SSUF website at <http://www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx>

Fund information and other queries

Comprehensive fund information is available on the SSUF website at <http://www.sanlam.co.za/campaigns/myretirementfund/Pages/default.aspx>

Members can access their fund benefits and related information via the Retirement Fund Web facility at any stage, as well as the Sanlam My Retirement App.

The trustees urge members to visit the website on a regular basis and to ensure that they are well informed about their retirement and related benefits.

Please refer to the Web-user manual for step-by-step instructions on how to access the Web and for details about the facilities and information available.

Direct any questions and concerns to Chrisna Swart at:

E-mail: chrisna.swart@sanlam.co.za

Postal address: PO Box 1, Sanlamhof, 7532





Staff Umbrella Pension and Provident Funds (SSUF)

Summary of contributions and benefits

IMPORTANT:

This summary is for information only. The provisions and conditions of the Funds and Group Insurance are set out in full in the official Rules and Policies. **In the event of any discrepancy the official Rules and Policies apply.**

01

Contributions rates



	Pension Fund – Member contributions	Provident Fund – Employer contributions
Minimum rate	4% of TGP	6% of TGP
Choice to increase	increments of 0.5%.	increments of 0.5%.
Default	7.5%	10%
Maximum rate	7.5%	20%

02

Retirement



Retirement Age (NRA)

Normal retirement age (NRA) is as contracted between the member (employee) and the employer, and may range between 60 and 65 years old.



Normal Retirement Date (NRD)

- 31st December nearest to NRA in respect of all members who were members of the funds before 1 January 2012, **except** for those who were transferred to SSUF in terms of Section 14 in the term 1 May 2011 to 31 December 2011.
- The end of the month in which a member reaches his/her NRA in respect of:
 - those members who were transferred to SSUF in terms of Section 14 during the period 1 May 2011 to 31 December 2011;
 - all members who joined the fund as from 1 January 2012; and
 - Santam employees appointed after 1 March 2013.
- Santam members transferred to the SSUF on 1 March 2013 retained their normal retirement date, i.e. 1 April following the date on which they reach their normal retirement age.



Early Retirement

A member may retire up to 10 years before his/her normal retirement date. The employer's permission is required should a member wish to retire more than 5 years before normal retirement date. Members who retire prior to age 55 should note the tax implications of doing so.



Late retirement

Late retirement is only allowed with the express permission of a Group Exco Member of the member's employer. The maximum age that a member may belong to the SSUF as an active member is 70 years. A member who remains a member of the SSUF after NRD does **not** qualify for the insured death or disability benefits after attaining his/her NRD (Fund and GLA).

The conversion option for life cover will only be available on early retirement or retirement on normal retirement date.



Retirement Benefit

	Pension Fund	Provident Fund
Benefit	Member's accumulated fund value	Member's accumulated fund value
Manner of payment	Maximum of $\frac{1}{3}$ as a lump sum, balance as pension	Up to 100% can be taken as a lump sum or as a pension

03

Termination of membership



The benefit payable at resignation, retrenchment or dismissal

Pension Fund - Member's full fund value

Provident Fund - Member's full fund value

Can be preserved in the SSUF, transferred to another approved fund or taken in cash.

04

Death Benefits



Pension Fund:

- Member's full fund value is payable.



Provident Fund:

- Member's full fund value is payable; **plus** An approved group flexible life insurance amount, i.e. a lump sum assured benefit (according to the option the member exercised) and subject to a certain maximum, as explained hereafter:



- In respect of members appointed as from 1 July 2019 the maximum level is 3x annual TGP.
- Different maximum cover levels are applicable to members appointed before 1 July 2019:

Members who selected the default at appointment:

- The default multiples as indicated in the table hereafter remain applicable.

Members who selected a cover level higher than the default:

- The maximum multiples as indicated in the table below will be applicable to them.

Members who as a result of their employment conditions enjoy a cover level that is higher than the maximum multiple:

- The Special Maximum Multiples in the table below are applicable to them.

As the members in the 3 categories above, move through the age bands their cover will be reduced according to the applicable default or maximum multiple that is applicable to them.

Age band	Default Multiple	Maximum Multiple	Special Maximum Multiple
-25	4	9	9
26 - 30	6	10.5	11
31 - 35	6	10	12
36 - 40	5	8	13.5
41 - 45	5	6.5	12
46 - 50	4	6	9.5
51 - 55	4	5	9
56+	3.5	5	7.5

[\(read more\)](#)

Options and conditions to decrease or increase cover applicable as from 1 July 2019

- ⤵ Only members who enjoy less than 3x TGP cover may increase their cover.
- ⤵ Annually on 1 May, you will be given the option to either **increase or decrease** your level of cover. The new cover level may not be more than the maximum level of 3x TGP. Any increase will be subject to proof of good health.

- ⤵ A member can also **increase** his/her death cover up to the maximum of 3x TGP, within 3 months of the following events:

- when he/she marries, and/or
- when a child is born or legally adopted.

In the case of members younger than 50 years an increase of 1x TGP will be allowed without proof of good health at the said events.

To qualify for the above option to increase cover, the member must submit his/her option form to the SSUF within three (3) months of said event.

- ⤵ In the case of members who are 50 years and older any option to increase cover will be subject to proof of good health.
- ⤵ With respect to reducing your insured death benefit under the SSUF you may annually on 1 May, select a lower level of cover. The minimum level is 0.5x TGP, but you may

select 0x TGP, subject to your fund value being at least 0.5x TGP or more.

- ⤵ If you choose to reduce your insured death benefit, the saving in the cost of death benefits will be applied for your retirement benefits. Alternatively, if you choose to increase your insured death benefit your savings for retirement will be reduced accordingly.
- ⤵ Formula for calculating the saving or extra cost for reducing or increasing your insured death benefit:

$$\frac{\text{Amount by which benefit is decreased/increased}}{1\ 000} \times \text{Rate} = \text{Saving / extra cost}$$

- ⤵ Rate for insured lump sum death benefit:

Age band	Rate per R1 000 cover
Younger than 26 years	R0.185
26 - 30 years	R0.138
31 - 35 years	R0.144
36 - 40 years	R0.161
41 - 45 years	R0.168
46 - 55 years	R0.193
56 years and older	R0.241

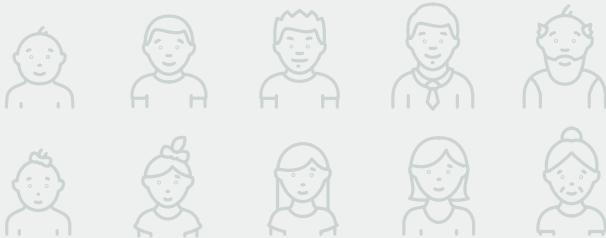
[\(read more\)](#)

Notes:

- ④ The age in the table reflects the member's current age and not the age at which membership commenced.
- ④ At inception members qualify for the default/maximum cover level of 3x TGP.
- ④ Proof free limits

Combined for Provident Fund and Group Life:
R15 000 000

Any cover amount in excess of the proof free limits is subject to proof of good health.



Unapproved Group Life Insurance - Death benefit and lump sum disability

- ④ Default death cover level at appointment = 1x TGP
- ④ Minimum death cover level = 0.5x TGP
- ④ Maximum death cover level = 3x TGP

Note: As a result of the conversion of cover to a multiple of TGP as from 1 August 2018 some members enjoy a cover level higher than 3x TGP. They will retain their converted cover level and may opt to decrease it during the annual flex event.

- ④ **Rate:** R0.244 per R1 000 cover.

Option to decrease or increase benefit

- ④ Members may decrease their group life insurance on 1 May annually, provided that the death cover may not be less than 0.5x TGP on their own life.
- ④ Members who have less than 3x TGP cover may increase their level of death cover annually during the flex event, subject to proof of good health and a maximum of 3x TGP.



[\(read more\)](#)

The lump sum disability benefit is calculated as follows:

- ⌚ In the case of members appointed before 1 July 2019 the lump sum disability benefit is equal to the group life death cover, but subject to a maximum of 2x TGP.

Note: As a result of the conversion of cover to a multiple of TGP on 1 August 2018 some members may enjoy lump sum disability cover of more than 2x TGP.

- ⌚ In the case of members appointed as from 1 July 2019 or members who increase their group life death cover to a multiple higher than 1x TGP after 1 July 2019, the lump sum disability benefit is calculated as follows:
 - Equal to group life death cover, if the death cover is 1x TGP or less; or
 - If the group life death cover is more than 1x TGP the disability benefit is, 1x TGP plus 50% of the death cover that exceeds 1x TGP.

Examples:

Group life death cover	Lump sum disability benefit
1x TGP	1x TGP
2x TGP	1 1/2 x TGP
3x TGP	2x TGP

05 Spouse insurance



- ⌚ Death cover for spouses is not compulsory.

The following options are available without proof of good health, but subject to the proof free limit:

- New employees who are legally married are granted an option at appointment to take out spouse cover.
- Existing members have an option within three months of marriage to take out spouse cover.

Annual option subject to proof of good health

Members who are legally married will annually be granted the option to take out spouse cover. Such an option will be subject to proof of good health.

Cover for de facto spouses (if not legally married)

- A registration form will need to be completed and the de facto marriage application approved, whereafter the member will be granted the option for spouse cover.
- Medical proof of good health is a requirement, before the cover commences.



[\(read more\)](#)



- Maximum age of spouse to qualify: 70 years

- Maximum cover = 1x TGP



Note: As a result of the conversion of cover to a multiple of TGP as from 1 August 2018, some members enjoy a cover level higher than 1x TGP. They will retain the higher cover level and may opt to decrease it during the annual flex event.



- Proof free limit
 - = **R1 400 000** for cover granted as from 1 May 2011
 - = **R9 000 000** for cover granted before 1 May 2011
 - = **R3 000 000** in respect of Santam members for whom spouse's cover was granted before 1 March 2013
- Rate:** R0.236 per R1 000 cover

06

Critical Illness Insurance



As from 1 May 2011 critical illness insurance is compulsory for all new employees.



As from 1 May 2017 members have a choice between a standard or comprehensive critical illness benefit.

No proof of good health is required.

- Cover levels: 0.5x or 1x TGP

- Maximum cover = R1 500 000

When the maximum cover limit increases the cover of members who are limited to the maximum will increase to the new maximum.

Note: As a result of the conversion of cover to a multiple of TGP as from 1 August 2018 some members enjoy a cover level higher than 1x TGP. They will retain the higher cover level and may decrease it during the annual flex event.

- Rates:**

Standard option : R0.280 per R1 000 cover

Comprehensive option : R0.373 per R1 000 cover

07

Income disability benefit Compulsory Benefit



- ④ Basic benefit payable after a 3 month waiting period is:
 - 75% of the first R120 000 of TGP; plus
 - 60% of the next R360 000 of TGP; plus
 - 50% of the TGP in excess of R480 000
- ④ Top-up benefit payable for certain conditions are a maximum of 25 % of TGP less the member contribution waiver of 6% of TGP. Maximum top-up benefit = R67 000.
- ④ Employer contribution waiver = 8.56% of TGP after 3 month waiting period. (Contribution to Provident Fund)
- ④ Member contribution waiver = 6% of TGP after 3 month waiting period. (Contribution to Pension Fund)
- ④ Annual ad hoc increase applies, subject to minimum of 2%.
- ④ **Proof free limit**
 - = R130 000 pm for cover granted on or after 1 May 2011
 - = R165 000 pm for cover granted before 1 May 2011
- ④ **Rates:**
 - 0.885 % x TGP

08

Family Cover – Optional Benefit



- ④ Employees have a once-off option at appointment to become a member and can select to add their legal parents and parents-in-law. (Maximum age for parents to join is 79 years.)
- ④ Legal parents-in-law can also be added within 3 months of a member's marriage.
- ④ The waiting period for parents/parents-in-law is six months if death is due to natural causes.
- ④ Members can select either Option 1 or Option 2 and cannot have a combination of Option 1 and Option 2. E.g. If Option 2 is selected it will be applicable for the basic benefit, additional spouses as well as the cover of parents who are insured. (Certain conditions apply.)
- ④ The additional parent cover, if selected, will be applicable to all parents who are insured.

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	Option 1	Option 2	Additional parent cover
Family member to whom benefit is applicable			
Basic benefit			
• Principal member	R29 000	R58 000	
• Qualifying Spouse	R29 000	R58 000	
• Qualifying child aged 14 and over	R29 000	R58 000	
• Qualifying child aged 6 and over but younger than 14	R15 950	R31 900	
• Qualifying child younger than age 6 and/or still-born child	R10 000	R20 000	
Additional spouses (ex-spouse in case of divorce)	R29 000	R58 000	
Legal Parents or parents-in-law	R7 500	R15 000	R10 000
Monthly premiums			
Basic benefit	R8.75	R17.50	
Additional spouses	R4.00 per spouse	R8.00 per spouse	
Parent cover	R22.00 per parent	R45.00 per parent	R40.00 per parent



09

Cover Conversion Options at termination of service



Members are entitled to, within two months from the date of termination of employment, take out individual insurance with Sanlam up to a certain maximum amount without having to submit proof of good health.

This option is applicable to the following cover:

- ④ In-Fund Insured Death Cover
- ④ Group Life Death Cover.
Please note that the lump sum disability cover cannot be converted.
- ④ Spouse Insurance
- ④ Critical Illness Insurance
- ④ Income Disability Benefit
- ④ Family Cover (Funeral benefit)

Details of the conditions and convertible amounts are provided to members at termination of employment.





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