



Sanlam Office Staff
Spouse's Insurance
April 2023

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introduction

The spouse's insurance offers death cover to:

- spouses of employees who are married; or
- spouses/partners in the case of co-habiting if the relationship was registered as a de facto marriage; and
- qualifying ex-spouses of employees who are divorced.

Spouse's insurance is not compulsory. Employees have the following choices for death cover on their spouse's life:

➤ At permanent appointment, all married employees have the option; and

➤ in the cases of marriage after appointment date or co-habiting the employee have the option within 3 months of marriage or the registration of the de facto marriage.

➤ In the case of divorce members have the option to apply to retain the cover on the lives of their ex-spouses within 3 months of the date of the divorce. It is important that the application should be on the prescribed form and it should be in the possession of Human Resources within the prescribed time of 3 months after the divorce.

➤ Annual choice for taking out spouse's cover

If the spouse's cover has been cancelled or if a member enjoys no spouse's cover due to the option he/she has exercised, members will once a year be granted the opportunity, on a date determined by the employer (currently 1 May), to apply for spouse's cover equal to a maximum of one (1) times the member's annual Total Guaranteed Package (TGP).

qualifying requirements

- The maximum age of the spouse to qualify for death cover is 69 years.
- A marriage certificate or a de facto marriage registration is required in the case of a marriage or co-habiting relationship.

basis for calculation of benefits



⤵ The benefit is a multiple of the member's **Total Guaranteed Package (TGP)**. The benefit can be selected in 0.5 x TGP intervals.

proof of good health

- ⤵ At permanent appointment and within 3 months of marriage members can take out spouse cover without proof of good health by the spouse.
- ⤵ At the annual option or registration of a de facto marriage the spouse cover is subject to proof of good health by the spouse.

Exclusions:

Should a spouse or ex-spouse die within **twelve months** after the latest date of joining the insurance and the death has directly or indirectly been caused by or can be traced to a disease of which the member and/or the spouse have been aware, or if the spouse or ex-spouse experienced symptoms or received medical treatment during the **six months** immediately before the date of joining, no death benefits will be payable.

extended options for spouse insurance

Death cover on ex-spouses and/or the life of more than one spouse.

The maximum cover per ex-spouse, second or more spouse(s) is one (1) times the member's annual TGP.

An ex-spouse, second or more spouses may only be the following:

- ⤵ Ex-spouses of members that are divorced.
- ⤵ Spouses from a relationship with more than one spouse. Such a spouse must comply with the requirements of a de facto marriage, and cover will be subject to the registration of the relationship and the spouse with the scheme.

Important:

All members divorced before 1 October 2002 were given an once-off option to take out death cover on the lives of their ex-spouses before 30 November 2002.

- ⤵ Members who divorce after 1 October 2002 need to exercise the option to retain the death cover on the lives of their ex-spouses with 3 months of the divorce. (The required form is available on the Retirement Fund website.)
- ⤵ Members who want to take out death cover on the lives of a living partner or more spouses, first need to register the relevant relationship with the scheme as a de facto marriage. (The required forms and details of such registration appear on the Retirement Fund website.)



multiple of death benefits payable

At marriage or registration of a first de facto marriage

Members qualify for maximum one (1) times the member's annual TGP cover on their spouse's life.

Please note:

- ① Employees who have been permanently appointed before 1 April 1993 could have qualified for maximum two (2) times the member's annual TGP cover on their spouse's life.
- ② The rand amount of cover of all members as on 31 July 2018 was converted to a multiple of TGP as from 1 August 2018. As a result of this conversion some members enjoy spouse cover of more than 2 x TGP.



At divorce or registration of a second or more de facto marriages

- ① Ex-spouses, second or more spouses will also qualify for spouse's cover of maximum one (1) times the member's annual TGP.

Please note:

A member can insure his/her ex-spouse(s) as well as current spouse simultaneously.

decrease or cancel spouse's cover

Members who enjoy spouse's cover can decrease their spouse's cover annually on 1 May or they can cancel the spouse's cover.

submission of claims

A death claim must be submitted within six months from the date of death of the spouse to HR Support Services.

At death of ex-spouses, a copy of the divorce order as well as proof that the member applied for the insurance on the life of the ex-spouse are required.

Continuation of cover

Should a member retire before age 65 years or being retrenched after 15 years uninterrupted service, he/she will have the option to continue with the death cover, up to a certain maximum amount, on his/her spouse life for 5 years, but not after the member turns age 65, provided that the spouse is younger than 70 years old.

The maximum cover amount is determined according to number of years of completed service and will remain the same or can be reduced, but not be increased.

The premium will be equal to the normal group rates. The application form to continue with the cover must be submitted to HR Support Services before termination of service.



conversion option

Should a member not qualify for the continuation option or does not want to make use of the continuation option he/she may make use of the conversion option.

In terms of the conversion option the member can take out individual life or endowment insurance (excluding disability benefit) with Sanlam for a certain maximum amount determine according to the years of completed service at the day of termination, without proof of good health.

The conversion option will also be available when the continuation option ceases.

The normal rates for individual life insurance will apply.

The spouse must be younger than 70 years to qualify for the conversion option.

Disclaimer

This summary does not form part of the official Rules and Policies. In the event of any contradiction between the contents of this summary and the official Rules and/or Policies, the provisions of the Rules and Policies shall prevail. These Rules and Policies are available on request at Alfreda April, Glacier Place, Tel: 021 947 8404.

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