Fiduciary Services

Guardian Trust

Financial Planning

Wills  |  Trusts  |  Estate Administration  |  Beneficiary Fund  |  Guardian Trust
At Sanlam we believe an inheritance is about more than money. To us it’s a lifetime of hard work, love and responsibility. It’s about having the reassurance that your legacy will be in safe hands and that your loved ones will be taken care of when you no longer can. That’s why Sanlam is committed to treating your legacy with a respect for what went into creating it and take the utmost care to make the most of it. Because that’s what makes us Wealthsmiths™.
Sanlam Guardian Trust

As a parent your children’s wellbeing is your top priority. That’s why we believe one of the best things you can do for them, is to put plans in place in case anything happens to you.

Sanlam Guardian Trust can help you enjoy the peace of mind that your children will be financially secure, even when you’re no longer there. Most importantly, it will help you make sure that the proceeds of your policies do not end up in someone else’s pocket and that the people you trust to look after your children have their best interests at heart.

How does it work?

Usually, if you have taken out policies that pay out to minor beneficiaries, their natural or legal guardian will manage or administer the money on behalf of the minor. Unfortunately, this can sometimes result in the minor not being the sole beneficiary as the guardian may use the money for other purposes. With Sanlam Guardian Trust, these benefits can be managed on their behalf by the trustees of the trust to the sole benefit of the beneficiaries.
What are the benefits of a Guardian Trust?

- A separate trust account is set up for each beneficiary. The trust provides protection against the potentially unwise use of the beneficiary’s funds.
- Independent and professional trustees share the financial responsibility of the minor with the natural or legal guardian.
- After a proper needs analysis has been done, they will ensure that regular maintenance payments are made according to the needs of the minors.
- They will make ad hoc payments for other needs, for example, school fees, medical costs and other necessities. These payments will be made directly to the service provider.
- Annual benefit statements of the trust account are provided to the beneficiary or guardian. These are also available on request.
- Objective investment management in order to meet the beneficiary’s income and capital needs properly. The capital is invested professionally according to the unique circumstances of each beneficiary to ensure maximum protection and growth.
How can proceeds of my policies – with my children as beneficiaries – be preserved and even grow?

At Sanlam we understand that different trust beneficiaries have different needs. Our investment strategy ensures security and growth according to specific risk profiles:

- Cash
- Conservative
- Moderate
- Aggressive

We strive to strike a balance between risk, good returns and the accessibility of funds for maintenance and other needs. At the same time, we believe that the investment offering should be competitive in order to add value over the long term.
What should I consider before nominating Sanlam for the benefit of the beneficiary?

**The age of the beneficiary**
- Is the beneficiary still at school?
- Does the beneficiary plan to enroll for tertiary education?

**The age of the guardian**
- What is the life expectancy of the guardian?
- Who will look after the policy proceeds with my child as beneficiary if the guardian dies before my child?
The health of the guardian/beneficiary

Does the guardian/beneficiary suffer from a condition that can influence his/her ability to manage the money in the beneficiary’s personal best interests?

The financial circumstances of the family

Will the capital be used to the best advantage in support of the beneficiary or will it be used to pay for things such as debt, a car or unnecessary luxuries?

Will the family financially abuse the beneficiary because the money is paid to the beneficiary?

The financial skills of the guardian/beneficiary

Does the guardian have sound financial skills to manage the benefit in the best interests of the beneficiary?

What is the current academic qualification of the beneficiary?

What are the future plans of the beneficiary in respect of further studies/work?

Did anything happen in the past that is an indication that the money will not be used in the best interests of the beneficiary?

If you want to know how we can help safeguard your policy proceeds for your minor beneficiaries, contact Madi Carstens on 011 778 6487 / madi.carstens@sanlam.co.za or visit www.sanlam.co.za