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Sanlam Corporate

Group Risk Benefit Guide: Funeral insurance

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Funeral insurance

The Funeral insurance pays out a lump sum in the event of death to cover the cost associated with a funeral.

The Benefit Guides provide an overview of all the benefits Sanlam offers. The structure of benefits, as selected, is set out in an accompanying quotation document together with the premium applicable to the corresponding benefits.

If accepted, the scheme will be underwritten by Sanlam Corporate: Group Risk, hereafter referred to as Sanlam.

Should there be any inconsistencies between this document and the policy, the policy will prevail.

About the benefit

The Funeral insurance is offered on a compulsory basis.

Benefits and premiums are payable until the benefit cessation age of the principal insured (i.e. the employee) for insurance in respect of:

- ① the principal insured
- ① his/her qualifying spouse
- ① qualifying children

The minimum level of insurance that an employer can choose is R6 000 which can increase in units of R1 000 up to the maximum of R80 000.

Please note: The Prudential Authority prescribes a maximum benefit amount of R100 000 payable per insured under a funeral policy. Any supplementary (i.e. rider) benefits applicable to the insured are included in applying the benefit maximum.

The benefit maximum is escalated annually by the increase in the consumer price index (CPI).

If the principal insured passes away, the insurance in respect of his/her qualifying spouse and qualifying children ceases on the last day of the calendar month in which the employee passed away.

Please note: When the principal insured's service with the employer is terminated as a result of ill-health (i.e. total and permanent occupational disability),

- the insurance for the principal insured and the insurance in respect of his/her qualifying spouse and qualifying children are retained with further payment of premiums,
- up to the earlier of the last day of the calendar month in which the principal insured passed away or the benefit cessation age.



Benefit cessation age

This insurance is available up to the earlier of the benefit cessation age and the age of 65 years.

However, should the policy make provision for it, the insurance may continue after the benefit cessation age, until the age of 70 years for principal insureds who remain in the active service of the employer. This provision is subject to the continuation of premium payments.

Please note: This provision is not applicable to disability claimants' insurance that continues with premium payments, which will cease at the maximum age of 65 years.

Medical evidence of good health

No medical evidence of good health is required for this insurance.

Maximum age at entry

The maximum entry age is:

Principal insured:	younger than the benefit cessation age or 65 years
Qualifying spouse:	younger than 75 years

Cessation of benefits

The insurance will cease when one of the following events occurs:

- ① the principal insured ceases to be an employee; or
- ① the principal insured attains the benefit cessation age; or
- ① on the last day of the calendar month in which the principal insured dies; or
- ① a premium is not paid continuously; or
- ① if the policy is terminated; or
- ① if the participating employer withdraws;

whichever occurs first.



Exit Cover

Sanlam assists principal insureds who want to **continue their group funeral cover when their employment is terminated** at their employer due to retirement, resignation or retrenchment.

This means that an employee, who had been a member of the group funeral scheme for at least 6 months before withdrawal, can continue their cover under a new Exit Cover funeral policy with Sanlam Developing Markets Limited (SDM), within 31 days after their date of withdrawal from service, without being subject to any waiting period.

SDM waives the 6-month waiting period for the new Exit Cover funeral policy (providing similar benefits), on the following conditions:

- ④ The employee's previous group funeral cover was terminated within 31 days of entering into the new funeral policy; and
- ④ The cover amount is limited to the Funeral insurance amount applicable under the group policy.

The insurance will be subject to the terms and conditions applicable to SDM policies.

SDM is a registered long-term insurer and licensed Financial Services Provider.



Administrative requirements

- ④ The employer should be able to handle the administration and keep Sanlam informed of any changes.
- ④ The insurance for the principal insured, qualifying spouses and qualifying children are priced as a **package** and paid separately from the contributions to a fund, if any (i.e. not included in the employer contributions). A policy can be implemented to accommodate separate rates, i.e. different rates paid in respect of single and married principal insureds belonging to a policy.
- ④ For a compulsory Funeral insurance policy, a membership list indicating the names and dates of birth of the principal insureds, qualifying spouses and qualifying children must be provided on the **date of commencement**.
- ④ When a claim arises, a claim form and the original official death certificate or an original certified copy of the official death certificate/medical proof of disability must be sent to Sanlam. Sanlam will supply the claim form.
- ④ Full statistics of all principal insureds, qualifying spouses and qualifying children covered under the policy must be sent to Sanlam **monthly**.



Definitions

Marriage

Marriage means

- ① a marriage or union in accordance with the Marriage Act, 1961, the Recognition of Customary Marriages Act, 1998, or the Civil Union Act, 2006, or the tenets of a religion; or
- ② a union where two persons are living together as if married, with the commitment of continuing to do so permanently provided that -
 - they have been doing so for a continuous period of at least 6 consecutive months; and
 - they continued doing so until the time of death of the spouse; and
 - the insured provides, upon request, satisfactory proof of the permanency of the relationship to Sanlam.

Please note: In terms of the above definition of marriage, it is important to note that

- Spouses may also be of the same gender.
- Should a policy be implemented to accommodate separate rates, i.e. rates paid in respect of single and married principal insureds on a policy, a waiting period of 6 months will apply to insure a cohabiting spouse that is living together with the principal insured as if married. The waiting period will also apply to the cohabiting spouse's children. The waiting period does not apply to death due to an accident.

Qualifying spouse

Qualifying spouse with regard to a principal insured, is the person with whom he/she is joined in marriage, provided that such a person, at the time of qualifying for the insurance, is not yet 75 years of age.

If a principal insured is married to more than one person, qualifying spouse means:

- ① only that one of them whom the principal insured nominated in writing during that person's life;
- ② if the principal insured does not nominate a qualifying spouse the person that he/she married first will be the qualifying spouse.

Once a nomination has been made, it remains in force as long as the principal insured is joined in marriage with the relevant spouse.

A qualifying spouse will cease to be insured on the date on which the employee and qualifying spouse are no longer joined in marriage.

The relationship of the qualifying spouse to the insured must be substantiated by a valid marriage certificate, or other evidence recognized in law, or other proof acceptable to Sanlam.

Qualifying child

Qualifying child with regard to a principal insured or his/her qualifying spouse means his/her unmarried child and which includes a legally adopted child, a stepchild, a foster child, a still-born child and a posthumous child (i.e. birth of a child after the death of a parent), provided that:

- ① he/she is under the age of 21 years; or
- ② he/she is 21 years or older, but under the age of 26 years, and he/she is a full-time student at an educational institution; or
- ③ if he/she is incapacitated by a physical or mental disability which prevents him/her from maintaining himself/herself, and such incapacity commenced when he/she was either under the age of 21 or under the age of 26 years while a full-time student at an educational institution.

Still-born child means a child that has had at least 26 weeks of intra-uterine existence but showed no sign of life after complete birth.

Please note: regarding the definition of Qualifying children:

- There is no maximum on the number of children covered.



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Sanlam Life Insurance Limited Reg no 1998/021121/06.
Sanlam Life is a Licensed Life Insurer, Financial Services and Registered Credit Provider (NCRCP43)

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