

Resignation or Termination of service policy

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1. Introduction

For office staff, termination of service is subject to one calendar months' notice from both sides. The intention is thus written notice on the first day of the month and termination of service on the last day of the month.

Unless "calendar month" is defined as such in the appointment letter, this is however not enforceable in practice. An employee may therefore give notice on any date as long as the period is not less than one month.

2. Resignation

2.1. Notice

Notice of termination of service must be given in writing in accordance with service conditions. Where a transfer to field staff takes place, it is administratively similar to a termination of service. The line manager of the employee leaving the service must complete a termination of service form.

If an employee fails to comply with the required notice of one calendar month, the company is entitled in terms of the Basic Service Conditions Act to recover one month's salary from the employee.

The staff access card issued to Sanlam Head Office employees must be handed to the line manager on the last workday, who in turn must hand it to Security Services.

2.2. Payments

2.2.1. Salary

The salary of an employee who leaves the service is paid on the payment date of the month in question, irrespective of the termination date, together with the leave pay on condition that the termination of service documentation have been received at HR Support Services in time (refer the payroll cut off dates).

2.2.2. Pension

The pension benefit is payable within six to eight weeks after the date of termination of service. If the taxable income of employees exceeds R 60 000 a tax directive must be obtained from the South African Revenue Service, which may delay the payment. A tax reference number must be provided by the employee. Upon transfer from office to field staff, the pension credit is not paid out but transferred to the applicable fund.

2.2.3. Outstanding money

Outstanding money for meals, telephone calls, etc., is collected from the employee. Once the card has been cancelled at Fedics, normally after the tenth of a month the employee is requested not to use his/her card any further.

Line managers at Sanlam Head Office must therefore ensure that all outstanding amounts are reported to HR Support Services for collection. If the leave money is not sufficient, the employee must pay the outstanding amount into a Sanlam bank account as confirmed by HR Support Services. Should HR Support Services receive the resignation documents late the employee's cost centre will be held liable for any debt collection should the leave pay not be sufficient.

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If the employee belongs to the Wesbank Company Car Scheme, the use of the vehicle terminates with immediate effect. The vehicle must be settled or financing in the employee's private capacity must be arranged before the employee leaves the company. Refer to the policy on the Company Car Scheme for more detail.

2.2.4. Other payments

Leave money and a pro rata guaranteed bonus (if applicable) are paid upon termination of service. Performance bonus is forfeited if termination date is before the declaration of bonus date. Auto card credit is payable three months after the termination date.

3. Topmed /Fedhealth /Bonitas /Bestmed medical aid and Family Cover

When a person leaves Sanlam's service, membership to Topmed/Fedhealth/Bonitas/Bestmed may continue in your personal capacity. Employees who decide to continue should arrange with the relevant medical aid to deduct their premium via debit order. HR Support Services will automatically cancel the medical aid.

The Family Cover scheme will be cancelled.

3.1. Group Life Insurance

In accordance with the rules of the scheme, employees who leave the service are entitled to take out insurance to the maximum of the existing cover on their own lives and that of their life companion without proof of insurability, provided that the option is exercised within 60 days after terminating their service. If the insured person should die within the option period, it will be assumed that the option has indeed been exercised.

4. Dismissal and discharge

4.1. Introduction

It may be as a result of:

- Disciplinary action, for example contravening a company rule, or
- Conduct not in line with the disciplinary policy, for example poor performance.

Dismissal and discharge may take either of the following forms:

- With notice by the employer under the service conditions (one month or 14 days),
- Without the contractual notice, i.e. summarily.

4.2. Disciplinary action

According to circumstances, the staff member may be prohibited from continuing to work and he/she must leave the service. Otherwise the employee remains in service. Such an employee is paid however until the date of termination of service.

In the case of summary dismissal, the employee leaves the premises immediately. This is the most serious form of punishment and must not be applied lightly. Summary dismissal applies only to very serious offences, for example theft, fraud, assault, etc. the employee is paid only up to the date of dismissal.

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4.3. Labour Relations Act

Because the Labour Relations Act prescribes the employer's conduct, the provisions set out in the Disciplinary Policy and Grievance Procedure must be strictly followed.

- Because it is difficult and sometimes impossible to recover overpaid amounts, HR Support Services must always be updated on potential dismissals, i.e. the decision to suspend or desertion.
- Because most employees enjoy cover in terms of the pension, group insurance and medical schemes, it is extremely important that termination of service is not unnecessarily delayed.