

Notes

- Any reference to "we", "us", "our" or "ours" refers to Sanlam Life Insurance Limited (Sanlam Life).
- Any reference to "planholder" refers to the person who applies for cover (the applicant).
- This chapter should be read in conjunction with the contract documents. If there is any conflict or inconsistency between the contents of the contract documents and this chapter, the provisions of the contract documents will prevail.
- Take note that information contained in this technical guide is with regards to the latest versions of the applicable products/benefits. Refer to the contract documents for information about the existing products/benefits of a life insured.

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Deterioration of insurance risk

Before our obligations take effect

Lives insured must notify us in writing if any of the information we regard as relevant to the specific insurance risk, changes before our obligations for a plan take effect.

If we are not notified of such information which could influence our assessment of the risk and the acceptance of the application, or if information about the insurance risk is incomplete or incorrect, it could invalidate the acceptance of the application, or cause us to cancel the plan, in which event all payments made in terms of the plan will be forfeited.

Once our obligations have taken effect

We carry the risk of any changes in the personal circumstances of a life insured once our obligations for a plan have taken effect.

Once our obligations for a plan have taken effect, and while the plan continues without any lapses or changes, it is not necessary to notify us if the life insured does any of the following, **except** in the case where a specific clause was applied that requires that we be informed:

- changes his/her occupation, or starts working from home, or stops working*;
- starts a new part-time activity**;
- changes his/her smoker status from non-smoker to smoker;
- leaves South Africa to visit, work or stay in another country***.

Once our obligations for a plan have taken effect, we may, however, reconsider our underwriting decisions on request if the life insured:

- changes his/her risky occupation, for which an additional payment is charged, to an occupation that is less risky in his/her opinion;
- stops taking part in a risky part-time activity.

Note the following:

- *Occupational disability cover, which is applicable to certain benefits and rider benefits, will no longer be provided if a life insured stops working. However, if the benefit also provides for other types of cover, that type of cover will still be provided.
- **Certain risky activities are excluded under Classic and Premier, as indicated under “General exclusions” in the *Overview of Classic and Premier* chapter, and the applicable chapters where exclusions for specific benefits are discussed.
- ***Cover in certain countries is excluded for the Funeral Expenses benefit, as indicated under “Territorial underwriting” in this chapter.

Insurable interest

General

In South Africa the life insurance industry is controlled chiefly by contract law and the Long-term Insurance Act. To comply with this, we have to make sure that life insurance is not misused and we therefore must make certain that the insurable interest between an applicant and a life insured is acceptable, and that cover amounts are limited to acceptable levels.

The applicant may only take out life insurance on the life of a person in whom he or she has an insurable interest. The insurable interest between an applicant and a life insured must be as follows:

- the applicant must have a legally recognised relationship with the life insured, and
- the applicant must suffer a financial loss if the insured event occurs to the life insured.

For benefits other than the Funeral Expenses benefit the relationship between the applicant and life insured can be any of the following:

- applicant and life insured the same person
- applicant and spouse
- parent and child, where the child is financially dependent on the parent or the parent is financially dependent on the child
- company and employee.

For the Funeral Expenses benefit the relation to the applicant can be any of the following:

- own life
- spouse
- child
- parent, including parent-in-law
- grandparent
- other family
- fiancé.

Explanations

Spouse

A person to whom the planholder is legally married on the date of inclusion as a life insured, or with whom the planholder has concluded an agreement recognised as a marriage in accordance with any law or custom, provided that in the case of a marriage by law or custom, he or she lives with that person as if legally married.

Child

A biological, legally adopted or step child.

Parent

An adult who was a guardian of the planholder or spouse, including a biological, foster or step-parent, who was responsible for the upbringing of the planholder or spouse.

Grandparent

The parent of the "Parent" as described in this section.

Other family

A relative that is not a spouse, child, parent or grandparent, for example, a brother, sister, nephew, niece, cousin, uncle, aunt.

Fiancé

A person to whom the planholder is engaged to be married.

Ensure that underwriting progresses smoothly

To limit the need to request more information and to ensure that underwriting progresses smoothly, the intermediary can do the following:

- Make sure a valid insurable interest exists between the planholder and the life insured.
- Make sure all the required information is complete and correct at application stage, e.g., make sure the following is provided:
 - correct occupation;
 - accurate income according to our definition;
 - full details about part-time activities;
 - details of travelling outside RSA borders;
 - accurate net worth of the client or net profit of the business.
- Make sure the following is done:
 - all yes/no boxes are filled in, where required;
 - all questions relevant to a benefit are answered.
- Make sure that the medical requirements requested by the underwriters are correctly provided, e.g., if a medical report by a family doctor with attention to a certain impairment is requested, do not arrange for a medical report by a medical doctor who does not know the client.
- Provide as much information as possible to assist the underwriters to offer the best possible terms to the client.

Financial underwriting for large applications

Financial underwriting for large cases is dependent on the information that intermediaries supply in support of the cases. If all of the information does not reach the underwriters at application stage, the underwriter needs to call for supportive documents or question the financial reason for application. This process often leads to delays.

Owing to the impact of financial fraud, the underwriters must adhere to basic guidelines and be able to negotiate terms with reinsurers based on supporting documentation. Their decision to accept or decline cover depends on the information provided.

To limit the need to request more information and to ensure that financial underwriting for large applications progresses smoothly, the intermediary can do the following:

- Make sure the same income is provided on the quotation, application form and financial questionnaire.
- Make sure information about existing insurance is complete and correct, because this information is required to determine the maximum cover allowed for the new application.
- Make sure the reason for insurance is clearly motivated in the application documents.
- Provide a needs analysis and any additional background like insurable interest, structure of company, shareholding, etc., at application stage.
- Make use of the pre-underwriting facility for applications by calling our senior underwriters. They will be able to assist in determining upfront financial requirements on personal and business insurance.
- Complete only the relevant sections of the financial questionnaire.
- For individual insurance provide the following:
 - A needs analysis with a total insurance portfolio, and
 - The required documentation for replacements.
- For buy and sell insurance provide financial statements as supportive documentation, as well as the following information:
 - How was the value of the business determined?
 - Net profit of business.
 - What is each partner's shareholding?
- For key person insurance provide the following information:
 - Why is the life insured viewed as a key person?
 - What is his/her expertise?
 - What method was used to determine the value to be insured?
- If a legal consultant (e.g. a market specialist with a legal qualification) was used, give details or provide the proposal from the legal consultant.

Occupational underwriting

The occupational underwriting decision may be any of the following:

- accept the cover on standard terms with no occupational loadings or occupational exclusions;
- accept the cover and add an occupational loading;
- accept the cover and apply an occupational exclusion;
- decline all or a part of the cover.

Rate group

Each life insured is classified into one of five rate groups (1 to 5). A rate group is determined according to occupation, qualifications and income, and may be limited as a result of a specific occupation. We reserve the right to verify the life insured's income and qualification before accepting the application.

To determine the rate group, a life insured is underwritten according to:

- his/her own occupation, and
- his/her own qualifications, except for a child, scholar or student, where the qualifications of the parent/legal guardian will be used, and
- income, as described in the "Income" section.

Rate group 5

The life insured may qualify for rate group 5 if he or she practises a qualifying occupation, as determined by us.

In addition to this, the life insured must also have one of the following (or equivalent or higher) qualifications:

- M-Tech Degree (B-Tech plus additional year)
- D-Tech Degree (M-Tech plus additional year)
- Two 3-year Bachelor's Degrees (university)
- 4-year Bachelor's Degree (university)
- Honours Degree (university)
- Master's Degree (university)
- Doctorate (university)
- Certified Financial Planner (CFP)
- Actuarial qualification: FASSA/FIA/FFA
- Professional accountants, fully registered with SAIPA
- Accountants and auditors with at least a 3-year Bachelor's degree at a university and who have successfully completed either their Professional Evaluation or Institute of Internal Auditors qualification.

Students

A full-time student at a university, in at least his/her fourth academic year, following a 4-year or longer course, or Honours degree or higher qualification in one of the following study fields, may qualify for rate group 5:

- Medicine
- Law
- Dentistry
- Accountancy
- Actuarial
- Architectural
- Engineering
- Pharmaceutical
- Optometry
- Physiotherapy
- Surveying
- Veterinary Science
- Information/computer technology
- Commerce
- Occupational therapy.

Rate groups 1, 2, 3 and 4

The requirements for rate groups 1, 2, 3 and 4 are indicated in the table below.

Requirements for rate groups 1, 2, 3 and 4							
Qualification category	Income						
	≤ R7 499	R7 500 - R13 999	R14 000 - R15 999	R16 000 – R22 499	R22 500 – R29 999	R30 000 – R39 999	≥ R40 000
	Rate group						
No matric	1	1	1	2	2	3	4
Matric / Grade 12	1	2	2	3	3	4	4
3-year diploma	2	2	3	3	4	4	4
3-year degree / Btech / 4-year diploma	2	3	4	4	4	4	4
4-year degree	4	4	4	4	4	4	4

Examples of qualifications to determine rate groups 1 to 4

Qualifications are grouped into 5 different categories in order to determine rate groups 1 to 4.

Examples of qualifications in the different categories:

- No matric category:
 - Grade 10 (Standard 8) and lower
 - Grade 11 (Standard 9)
 - National Certificate (N1 or N2)
- Matric / Grade 12 category:
 - Matric / Grade 12 (*also referred to as Standard 10*)
 - Post matric course, certificate or diploma of less than 3 years:
 - National Certificate (N3, N4, N5 or N6)
- 3-year diploma category:
 - 3-year Teacher's/ Nursing Diploma
 - 3-year Technikon Diploma (T3/S4/ND)
- 3-year degree / Btech / 4-year diploma category:
 - 3-year Bachelor's Degree (university)
 - B-Tech Degree (Technikon Degree)
 - 4-year Teacher's/ Nursing Diploma
 - 4-year Technikon Diploma (T4/T5/T6/NHD)
 - Any qualification in the rate group 5 section above (*only if the client does not qualify for rate group 5*).

Income

Income is defined according to the various definitions provided in this section, whichever is applicable to the life insured

Average monthly income

"Average monthly income" is the taxable monthly income from the life insured's regular occupation, averaged over the 12 months before application. However, if the life insured has a fluctuating income we will calculate the average monthly income over the 36 months before application. For self-employed clients, we will always consider their average monthly income rather than their most recent income.

Bonuses may be included in the calculation of the income, but subject to a maximum of 10% of the life insured's guaranteed yearly package.

In determining the total income, any form of income from the following is excluded: overtime pay, non-taxable fringe benefits, interest, dividends and rental income.

In addition to the above, the following applies when the **rate group** is determined:

- For an unmarried person, his/her own income is normally used, but exceptions may apply, as listed below.
- For a spouse* the greater of his/her own income and the income of his/her spouse is used;
- For a child, scholar or student the monthly income is the greater of the monthly income of the two parents/legal guardians.
- See "Income for pensioners" in this section for more information about the monthly income for pensioners.
- An unemployed person will automatically be limited to rate group 1, and the given income is not taken into consideration.

When the **financial limit requirements** are determined for a life insured, only his/her own income is used. However, for a housewife/house husband the greater of his/her own income and the income of his/her spouse is used, while for a student the greater of the income of the two parents/legal guardians is used.

*A spouse is a person to whom the planholder is legally married on the date of inclusion as a life insured, or with whom the planholder has concluded an agreement recognised as a marriage in accordance with any law or custom, provided that in the case of a marriage by law or custom, he or she lives with that person as if legally married.

Definitions of gross income

These definitions of gross income are used when rate groups are determined, as well as for financial underwriting. However, when the financial limits are determined for the Sickness Income and Sickness Income Plus benefit, the gross professional income (GPI) is used. (Note that GPI includes business overhead expenses, while gross income excludes it.)

Gross income for lives insured in formal employment of an employer

This is the cost-to-company income which consists of gross taxable income of the life insured including the employer's contributions to a medical scheme, provident fund or pension fund on behalf of the life insured, and the cost of any other benefits paid for by the life insured's employer that form part of the life insured's remuneration package and are reflected in the employer's financial statements.

Examples of lives insured in employment of an employer: administrative worker, teacher, policeman, mine worker, labourer, factory worker, domestic worker, etc.

Gross income for professionals in practice

The income for a professional who charges a fee for services is equal to the sum of professional fees and net income from trading activities, less business overhead expenses.

Examples of professionals in practice: pharmacist, doctor or architect with own business, etc.

Gross income for other self-employed lives insured

This is the salary withdrawn from the business, if applicable, plus the life insured's share of profit in the business.

Examples of other self-employed lives insured: business owners, shop owners, self-employed electricians or plumbers, street vendors, etc. This includes businesses with more than one owner.

Gross income for pensioners

For a pensioner the income is as follows:

- income benefits from pension and retirement annuity funds, plus
- any regular interest and dividend income from fixed investments, plus
- income from rent.

Definitions of gross professional income (GPI)

The gross professional income (GPI) is only used when determining the financial limits for the Sickness Income and Sickness Income Plus benefit. (Note that GPI includes business overhead expenses.)

GPI for lives insured in formal employment of an employer

This is the cost-to-company income which consists of gross taxable income of the life insured including the employer's contributions to a medical scheme, provident fund or pension fund on behalf of the life insured, and the cost of any other benefits paid for by the life insured's employer that form part of the life insured's remuneration package and are reflected in the employer's financial statements.

GPI for professionals in practice

The GPI for professionals who charge a fee for services is equal to the sum of professional fees and net income from trading activities, i.e. the total income of the business, after cost of sales is subtracted, but before business overhead expenses are subtracted.

GPI for other self-employed lives insured

This is the income or benefits receivable for the life insured's employment, or any services rendered by the life insured, plus the life insured's share of profit in the business.

Business overhead expenses

The life insured's share of the overhead expenses is a proportion of the total overhead expenses of the affected business*. The proportion is calculated as the business income the life insured generates in the affected business, averaged over the 12 months before the application, divided by the total business income of the affected business.

*This is the business where the life insured fulfilled his or her duties immediately before the application.

Overhead expenses include the following:

- rent for the business premises;

- water, electricity, telephone;
- regular maintenance services;
- property taxes and mortgage interest for the business premises;
- equipment leasing costs;
- insurance premiums;
- accounting fees;
- salaries of employees;
- other normal and necessary expenses that we agree to include.

Overhead expenses exclude the following:

- depreciation;
- cost of goods or merchandise or additions to inventory;
- cost of furniture or equipment;
- capital payments on outstanding debt;
- expenditure on assets;
- fees on current accounts;
- business rationalisation costs, for example, retrenchment;
- any remuneration or other consideration to the life insured, the planholder, associates in the affected business, and any other person who shares directly or indirectly in the profit of the affected business.

Accident and disability classes

Each life insured is classified into one of five accident or disability classes (A - E). The accident and disability classes may differ.

The following are used to determine the accident and disability classes of a life insured:

- occupation;
- the average number of hours per work day that the life insured spends in the performance of his/her occupation on each of the following:
 - administrative work;
 - travelling;
 - light physical work;
 - heavy physical work.

If a function/task is not done on a daily basis, the total number of hours for that function/task over a one month period is calculated, and then converted to an average number of hours per day by dividing the monthly total by the number of working days in the month. For example, if 44 hours in a month is spent on administrative work, and the month has 22 working days, then an average of 2 hours per day is spent on administrative work (i.e. $44/22 = 2$).

Definitions of types of work

Administrative work

This is the average number of hours per work day spent in an office or education environment busy with any of the following duties:

- personnel management;
- reading and writing;
- working at a computer;
- telephone conversations;
- attending meetings;
- client services: no selling
- education, lecturing or training.

If, for example, the life insured works in an office environment, his or her occupation is seen as administrative and then only the average number of hours per day spent travelling needs to be determined. The same applies to, for example, a teacher or lecturer.

Travelling

This is the average number of hours per work day spent travelling for work purposes*, but excluding time travelled:

- between a life insured's residence and workplace, and
- as a passenger on a scheduled flight on a registered airline.

*See "Heavy Physical Work" below if travelling is done for transport purposes. Note that travelling for this purpose does not include air travel on regular, scheduled airline flights.

To calculate the average number of hours per day, we assume that it takes 1 hour to travel 100 kilometres. The formulae below are then used to calculate the average number of hours per day.

Total hours travelled in month = Total kilometres travelled in month/100

Average number of hours per day = Total hours travelled in month/Number of work days in month

If, for example the life insured travels an average of 6 600 km in a month with 22 work days in the performance of his/her occupation, then:

Total hours travelled in month = 6 600/100 = 66

Average number of hours per day = 66/22 = 3

Light physical work

This is the average number of hours per work day spent on light physical work. Light physical work is any of the following activities, **excluding for administrative duties***:

- standing and walking;
- climbing up and down stairs occasionally, usually not more than two flights of stairs per day;
- using your arms and hands to grasp, hold and turn objects;
- carrying, lifting, moving of objects not exceeding 15kg in weight.

*If the intermediary has established that the life insured has an administrative occupation and any of the activities under "Light physical work" are also included in his or her day, activities will not be seen as light physical work. For example, using stairs or carrying files for purposes of administrative duties are not classified as light physical work.

Heavy physical work

This is the average number of hours per work day spent on heavy physical work. Heavy physical work is any of the following activities:

- climbing up and down stairs frequently, usually more than two flights of stairs per day, with no alternative to stairs available;
- climbing up and down ladders, installations;
- carrying, lifting, moving objects weighing more than 15kg;
- working with machinery, tools;
- working with or driving motorised machinery;
- travelling for transport purposes*.

*Note that travelling for this purpose does not include air travel on regular, scheduled airline flights.

Risky activities underwriting

No underwriting for risky activities will apply for the Funeral Expenses and Child: Illness and injury benefits.

Current participation

The underwriting decision may be any of the following:

- accept the cover on standard terms with no loadings or exclusions for risky activities;
- accept the cover with a loading for risky activities;
- accept the cover and apply an exclusion for risky activities;
- decline all or a part of the cover.

No current participation, but participation during last three years, or intended future participation

The plan will be accepted with an "A-clause". Refer to "A-clause" below for more information.

Questionnaires for part-time activities

The following questionnaires are available on the Sanlam intranet and SanPort:

- *Supplementary information in respect of motorsport* (form AE96)
- *Supplementary information in respect of flying activities* (form AE97)
- *Supplementary information in respect of diving* (form AE98).

If information about other part-time activities is required, it will be requested by our underwriters.

Clauses

Clauses are sometimes applied for certain occupations or part-time activities.

A-clause

An "A-clause" is placed when a life insured is not participating in an activity when cover is applied for, but has participated during the last 3 years or is intending to do so in future.

An example of an "A-clause" follows:

The planholder must immediately notify us in writing if the life insured starts or resumes participation in diving. We may then increase the payment for this benefit, or exclude cover for this benefit, or cancel this benefit.

B-clause

A "B-clause" is placed when a loading is applied for a specific activity.

An example of a "B-clause" follows.

Because the life insured participates in diving, the payment for this benefit includes a loading. If the life insured stops participating in diving, we may reconsider the loading on request.

The loading for this benefit is R5.00 per month. It is included in the total payment for the life insured.

The loading in the above example is illustrative and is not an indication of the actual loading that may apply.

U-clause

A "U-clause" is placed when cover for a specific activity is excluded.

An example of a "U-clause" follows.

Despite anything to the contrary in the plan, we will not admit a claim if the claim event is caused directly or indirectly by, or is related to, participation in, or training with the intention of participating in, diving.

Financial underwriting

When the financial limit requirements are determined for a life insured, only his/her own income is used. However, for a housewife/house husband the greater of his/her own income and the income of his/her spouse is used, while for a student the greater of the income of the two parents/legal guardians is used.

We underwrite the total cover amount applied for with us and other insurers, including incomplete applications.

Financial questionnaires

The *Financial questionnaire for individual insurance* (form AE4023) is required under the following conditions for death-related cover:

- for rate groups 1, 2, 3 and 4:
 - if the total death-related cover applied for is less than or equal to R7 million, but more than the Multiple factor* x Gross monthly income, or
 - if the total death-related cover applied for is more than R7 million.
- for rate group 5:
 - if the total death-related cover applied for is less than or equal to R10 million, but more than the Multiple factor* x Gross monthly income, or
 - if the total death-related cover applied for is more than R10 million.

*Refer to the Multiple factor table in the "Maximum available cover" section.

Financial questionnaires are available on the Sanlam intranet and SanPort.

Maximum cover that can be applied for under Classic and Premier

The calculation of maximum available cover described in this technical guide must only be seen as a guideline. Sanlam reserves the right to question any of the values provided and will consider the acceptance of the application according to ruling guidelines and policies.

Absolute maximums

Lives other than housewives/house husbands, children/scholars, students, pensioners, unemployed

Benefit	Absolute maximums (subject to financial underwriting)
Lump sum benefits	
Death-related cover	
<ul style="list-style-type: none"> Death First death Estate Expenses 	None
Immediate Expenses	R150 000
Funeral Expenses	<ul style="list-style-type: none"> R15 000 before a life insured's 6th birthday R30 000 on or after a life insured's 6th birthday, but before that life insured's 14th birthday R60 000 on or after a life insured's 14th birthday
Accidental death	R2 500 000
Accidental injury-related cover	
Accidental injury	R10 000 000
Disability- and impairment-related cover	
<ul style="list-style-type: none"> Comprehensive Disability/-Plus Elite Disability Comprehensive Impairment 	R35 000 000
<ul style="list-style-type: none"> Accidental Comprehensive Disability/-Plus Accidental Elite Disability Accidental Comprehensive Impairment 	R10 000 000
Severe illness/dread disease-related cover	
<ul style="list-style-type: none"> Cancer/-Plus Cardiovascular/-Plus Comprehensive Severe Illness/-Plus Core dread disease (including Whole life) 	R6 000 000
Child illness and injury cover	
Child: Illness and injury	<ul style="list-style-type: none"> R500 000 for rate groups 1 or 2 R1 000 000 for rate groups 3 or 4
Credit Life cover	
Credit Life	R16 000 000
Future cover group	
FutureCover (Death or Comprehensive)	R10 000 000
Income benefits	
Death-related cover	
Death income	None
Disability- and impairment-related cover	
Sickness Income and Sickness Income Plus*	R250 000 per month, limited to the sliding scale percentage** of the life insured's monthly gross professional income (GPI)
<ul style="list-style-type: none"> Temporary Income and Temporary Income Plus Extended income Accidental Extended Income Plus Accidental Extended Income Plus Impairment Income 	R200 000 per month, limited to the sliding scale percentage** of the life insured's gross monthly income

Overhead expenses	R150 000 per month, limited to 100% of the life insured's share of the overhead expenses of the business
Severe illness/dread disease-related cover	
Severe Illness Income	R50 000 per month, limited to 25% of the life insured's gross monthly income

*Note that business overhead expenses can be insured as part of the Sickness Income and Sickness Income Plus benefit: therefore, we will use gross professional income (GPI) (which includes business overheads) for financial underwriting. When a Temporary Income and Temporary Income Plus benefit is taken instead of the Sickness Income and Sickness Income Plus benefit, business overheads must however be insured with a separate Overheads expenses protector benefit.

**The sliding scale percentages are indicated in the applicable table in the "Maximum available cover" section.

Housewives/house husbands, children/scholars, students, pensioners, unemployed

The absolute maximums for the Immediate Expenses, Funeral Expenses and Child: Illness and injury benefits are the same as above. For other benefits the calculated amounts in the table below will be **further limited to the absolute maximums above**. All maximums are **subject to financial underwriting**.

Note that the Credit Life and income benefits (excluding the Death income benefit) are not available for housewives/house husbands, children/scholars, students, pensioners or unemployed persons.

Benefit	Absolute maximums (subject to financial underwriting)				
	Housewife/ house husband	Minor (child/scholar)	Student	Retired (pensioner)	Unemployed (up to age 54 next birthday, thereafter same rules as for pensioner)
Lump sum benefits					
Death-related cover					
<ul style="list-style-type: none"> Death First death Estate Expenses 	Larger of: <ul style="list-style-type: none"> R2 500 000, or 3 x Gross annual income of spouse 	R1 000 000	R2 000 000	Larger of: <ul style="list-style-type: none"> R2 000 000, or Cover allowed using the highest of insured's and spouse's gross monthly income 	R250 000
Accidental death	Larger of: <ul style="list-style-type: none"> R2 500 000, or 3 x Gross annual income of spouse 	R1 000 000	R2 000 000	Larger of: <ul style="list-style-type: none"> R2 000 000, or Cover allowed using the highest of insured's and spouse's gross monthly income 	R250 000

Benefit	Absolute maximums (subject to financial underwriting)				
	Housewife/ house husband	Minor (child/scholar)	Student	Retired (pensioner)	Unemployed (up to age 54 next birthday, thereafter same rules as for pensioner)
Lump sum benefits					
Accidental injury-related cover					
Accidental injury	Larger of: <ul style="list-style-type: none">R2 500 000, or3 x Gross annual income of spouse	R1 000 000	R2 000 000	R2 000 000	R250 000
Disability- and impairment-related cover					
<ul style="list-style-type: none">Comprehensive Disability/-PlusElite DisabilityAccidental Comprehensive Disability/-PlusAccidental Elite Disability	Benefits not available	Benefits not available	R2 000 000 (only available to students in at least their fourth year of study for a professional occupation)	Benefits not available	Benefits not available
<ul style="list-style-type: none">Comprehensive ImpairmentAccidental Comprehensive Impairment	Larger of: <ul style="list-style-type: none">R2 500 000, or3 x Gross annual income of spouse	R2 000 000	R2 000 000	R2 000 000	R250 000
Severe illness/dread disease-related cover					
<ul style="list-style-type: none">Cancer/-PlusCardiovascular/-PlusComprehensive Severe Illness/-PlusCore dread disease (including Whole life)	Larger of: <ul style="list-style-type: none">R2 500 000, or3 x Gross annual income of spouse	R2 000 000	R2 000 000	R2 000 000	R250 000
Future cover group					
FutureCover (Death or Comprehensive)	Benefits not available	R1 000 000	R5 000 000	Benefits not available	Benefits not available
Income benefits					
Death-related cover					
Death income	The amount for the lump sum Death benefit in this table, divided by the applicable factor* for the Death income benefit.				
Disability- and impairment-related cover					
Impairment Income	Larger of: <ul style="list-style-type: none">R50 000 or50% x gross monthly income**	Benefits not available	Benefits not available	Larger of: <ul style="list-style-type: none">R50 000 or50% x gross monthly income**	Benefits not available

*The applicable factor for the Death income benefit is equal to the following:

- For a benefit with a fixed term it is the Multiple factor for death in the next section.
- For a benefit with whole life cover it is the smaller of the selected Income payment period in months, and the Multiple factor in the next section.

** Where 'gross monthly income' for housewife/husband and pensioner is the maximum of own income or spouse's income.

Maximum available cover

When the maximum available cover for a selected benefit for a specific life insured is determined, the sum of certain types of cover will be calculated (aggregated), and then tested against the applicable financial limits. Lump sum, waiver of payment and income type benefits will be taken into account. Income and waiver of payment benefit amounts will be converted to lump sums for the calculations.

- **New cover applied for as well as existing cover at all businesses in the Sanlam group and other insurers may be taken into account.** Group cover and incomplete applications for cover will also be included, but replacements will be excluded. Also refer to the section “Existing cover and incomplete applications for cover” for more information.

Note that no information about existing cover or other incomplete applications for cover is required when a quotation is done. Therefore, at quotation stage, only other benefits applied for on the same quotation will be taken into account to determine the allowed maximums. Information about existing insurance and other incomplete applications are only required during the application process. The benefits granted on a quotation may therefore be limited or declined if such other cover leads to over-insurance.

- Absolute maximums as indicated in the previous section in this chapter will be taken into account.
- Additional financial underwriting limits may also be applied. For example, the sum of lump sum disability- and impairment-related cover may not be more than R35 million for a life insured.
- The age of a life insured and the monthly income (before tax) is used for financial underwriting – refer to the “Income” section earlier in this chapter. The following formulas will be used (but not for housewives/house husbands, children/scholars, students, pensioners or unemployed persons), where the relevant factors and percentages are indicated in the tables below:
 - **Death, accidental injury, impairment, severe illness/dread disease:** Monthly income x Multiple factor
 - **Future cover:** 1.5 x Monthly income x Multiple factor
 - **Disability cover:** [Monthly income x Conversion factor x Sliding scale percentage] + [24 x Monthly income].

The electronic *Calculating Disability and Sickness maximums* calculator on SanPort can be used to determine the maximums for disability- and impairment-related cover under the Classic and Premier product options. The calculator will take lump sum, waiver of payment and income cover into account, including existing insurance and incomplete applications for cover at Sanlam and other insurers, if such information is provided. The calculator can however not be used for housewives/house husbands, children/scholars, students, pensioners or unemployed persons.

Age next birthday of life insured	Multiple factor
≤ 25	240
26 – 30	288
31 – 35	276
36 – 40	264
41 – 50	216
51 – 55	180
56 – 60	144
61 – 65	96
≥ 66	72

Age next birthday	Conversion factor
up to 25	320
26 – 30	320
31 – 35	320
36 – 40	280
41 – 45	240
46 – 50	200
51 – 55	160
56	150
57	140
58	130
59	120
60	110
61	100
62	90
63	80
64	70
65	60
66	60
67	60
68	60
69	60
70	60

Annual Gross Income * (Annual GI)	Sliding scale %
GI ≤ R150 000	100%
R150 000 < GI ≤ R300 000	90%
R300 000 < GI ≤ R550 000	85%
R550 000 < GI ≤ R850 000	80%
R850 000 < GI ≤ R1 500 000	75%
R1 500 000 < GI ≤ R3 000 000	70%
R3 000 000 < GI	65%

*For the Sickness Income and Sickness Income Plus benefit the gross professional income (GPI) is used to look up the sliding scale percentage. For all other benefits the gross income is used. (Note that GPI includes business overhead expenses, while gross income excludes it.)

Existing cover and incomplete applications for cover

Existing cover and incomplete applications for cover, including group cover, will be taken into account when determining the maximum amount of cover available for a life insured, but replacements will be excluded.

Information required on the application forms

Certain information about existing insurance must be provided on the application forms. Incomplete applications for insurance must be included, but replacements must be excluded.

When applying for benefits other than the Funeral Expenses benefit, with or without Cashback:

- Provide cover amounts for insurance with other insurers (including group cover).
- Cover with MiWay Life, Sanlam Indie and Sanlam Group Risk must also be included, but other Sanlam insurance must be excluded.

Information about the following types of cover must be provided:

- Life cover
- Disability cover
- Disability plus impairment
- Dread disease (Trauma) / Severe illness
- Sickness Income
- Temporary Income
- Overhead expenses
- Disability income (less than 24 month waiting period)
- Disability income (24 month waiting period)
- Impairment Income
- Death income.

When applying for the Funeral Expenses benefit, with or without Cashback:

- For children before their 14th birthday: Information about **life and funeral cover** must be provided. MiWay Life, Sanlam Indie, Sanlam Group Risk and Sanlam Sky cover must be included but other Sanlam insurance must be excluded. Cover with other insurers must be included (including group cover).
- For lives insured on or after their 14th birthday: **Only** information about **funeral cover** must be provided. Only MiWay Life, Sanlam Indie and Sanlam Group Risk funeral cover must be included.

Cover at Sanlam Life

The existing benefits/types of cover at Sanlam Life that will be taken into account when applying for a specific benefit are indicated below.

Benefit applied for	Sanlam Life cover
Lump sum benefits	
Death-related cover	
Death (DS)	<ul style="list-style-type: none"> • DS, DS80, DSF1, DSF3, ASC, DSC, DI3, DEC and • All other death-related benefits, excluding funeral benefits
First death (DS80)	
Estate Expenses (DEC)	
Immediate Expenses (DSF3)	<ul style="list-style-type: none"> • DSF1, DSF3
Funeral Expenses (FSC3) – <i>for children before their 14th birthday</i>	<ul style="list-style-type: none"> • FSC2, FSC3, and • All other death-related benefits, including funeral benefits
Funeral Expenses (FSC3) – <i>for lives insured on or after their 14th birthday</i>	
Accidental death (ASC) - <i>excluding housewives/house husbands, children/scholars, students, pensioners, unemployed</i>	<ul style="list-style-type: none"> • ASC, and • OLV, DU, T84
Accidental death (ASC) - <i>housewives/house husbands, children/scholars, students, pensioners, unemployed</i>	<ul style="list-style-type: none"> • DS, DS80, DSF1, DSF3, ASC, DSC, DI3, and • OLV, DU, T84, and • All other death-related benefits, excluding funeral benefits

Accidental injury-related cover	
Accidental injury (ASW)	<ul style="list-style-type: none">ASW
Benefit applied for	Sanlam Life cover
Lump sum benefits	
Disability- and impairment-related cover	
Comprehensive Disability (CAR3, CSR3)	<ul style="list-style-type: none">OAR, OSR, OAR2, OSR2, OAS, OSS, CAR, CSR, CAR3, CSR3, CAR4, CSR4, CAR5, CSR5, CAS, CSS, ASO, ASO3, ASO4, ASO5, AIO, OAF, OSF, OAI, OSI, OAP, OSP, OAP2, OSP2, OAP3, OSP3, LAP, LSP, DSC, OGG, OGG1, OPG, OPG1, OIO, OIO3, OIO4, OIO6, OIR, andOA, OB, OC, OD, OE, OF, OG, OGG, OP, OPG, M-OP, T46, T47, T48
Comprehensive Disability Plus (CAR4, CSR4)	
Elite Disability (CAR5, CSR5)	
Comprehensive Impairment (OAI, OSI)	
Accidental Comprehensive Disability (ASO3)	<ul style="list-style-type: none">ASO, ASO3, ASO4, ASO5, AIO
Accidental Comprehensive Disability Plus (ASO4)	
Accidental Elite Disability (ASO5)	
Accidental Comprehensive Impairment (ASI)	
Severe illness/dread disease-related cover	
Cancer (TAT3, TST3)	<ul style="list-style-type: none">TAT3, TST3, TAT4, TST4, TAW3, TSW3, TAW4, TSW4, TAC, TSC, TAC2, TSC2, TAW, TSW, TAW2, TSW2, dread disease cover on LAP and LSP, andKTV, TV, T16
Cancer Plus (TAT4, TST4)	
Cardiovascular (TAH3, TSH3)	<ul style="list-style-type: none">TAH3, TSH3, TAH4, TSH4, TAW3, TSW3, TAW4, TSW4, TAC, TSC, TAC2, TSC2, TAW, TSW, TAW2, TSW2, dread disease cover on LAP and LSP, andKTV, TV, T16
Cardiovascular Plus (TAH4, TSH4)	
Severe illness/dread disease-related cover	
Comprehensive Severe Illness (TAW3, TSW3)*	<ul style="list-style-type: none">TAT3, TST3, TAT4, TST4, TAH3, TSH3, TAH4, TSH4, TAW3, TSW3, TAW4, TSW4, TAC, TSC, TAC2, TSC2, TAW, TSW, TAW2, TSW2, dread disease cover on LAP and LSP, andKTV, TV, T16
Comprehensive Severe Illness Plus (TAW4, TSW4)*	
Core dread disease (TAC, TSC)*	
Whole life core dread disease(TAC2, TSC2)*	
Child illness and injury cover	
Child: Illness and injury (TSK)	<ul style="list-style-type: none">TSK
Credit Life cover	
Credit Life (DSC)	<ul style="list-style-type: none">DS, DS80, DEC, DSF1, DSF3, ASC, DSC, DI3, andAll other death-related benefits, excluding funeral benefits
Future cover group	
FutureCover: Death (FS1)	<ul style="list-style-type: none">DS, DS80, DEC, DSF1, DSF3, ASC, DSC, DI3, FS1, FS2, TD, andAll other death-related benefits, excluding funeral benefits
FutureCover: Comprehensive (FS2)	
Waiver of payment benefits	
Waiver of payment with future growth at death (DG)	No fixed maximums; subject to financial underwriting
Waiver of payment without future growth at death (DP)	
Waiver of payment with future growth at disability (OGG1)	
Waiver of payment without future growth at disability (OPG1)	

Benefit applied for	Sanlam cover
Income benefits	
Death-related cover	
Death income (DI3)	<ul style="list-style-type: none"> • DS, DS80, DSF1, DSF3, ASC, DSC, DI3, DEC and • All other death-related benefits, excluding funeral benefits
Disability- and impairment-related cover	
Sickness Income (IS4) and Sickness Income Plus (IS5)	<ul style="list-style-type: none"> • DSC, IS1, IS2, IS3, IS4, IS5, OIT, OIT3, OIT4, OIT5, OIB, OIB4, OIO (less than 24 months waiting periods only), and • T46, T47, T48
Temporary Income (OIT4) and Temporary Income Plus (OIT5)	
Overhead expenses (OIB4)	
Impairment Income	<ul style="list-style-type: none"> • OIO3, OIO4, OIO6, OIR, OIT3, OIT4, OIT6, AIO
Extended Income (OIO4) and Extended Income Plus (OIO6)	<ul style="list-style-type: none"> • OAR, OSR, OAS, OSS, OAR2, OSR2, CAR, CSR, CAR3, CSR3, CAR4, CSR4, CAR5, CSR5, CAS, CSS, LAP, LSP, DSC, OIO (all waiting periods), OIO3, OIO4, OIO6 OIR, and • T46, T47, T48
Accidental Temporary Income Plus	<ul style="list-style-type: none"> • OIO3, OIO4, OIO6, OIR, OIT3, OIT4, OIT6
Accidental Extended Income Plus	<ul style="list-style-type: none"> • OIO3, OIO4, OIO6, OIR
Severe illness/dread disease-related cover	
Severe Illness income (TIW3)	<ul style="list-style-type: none"> • TIW3

*When applying for this benefit: For financial underwriting the total cover amount of benefits that provide only cancer cover will be determined, as well as the total cover amount of benefits that provide only cardiovascular cover. The maximum of these two amounts will then be added to the cover amounts of all the other benefits in this group. The benefits that provide only cancer cover are the Cancer (TAT3, TST3) and Cancer Plus (TAT4, TST4) benefits, while the benefits that provide only cardiovascular cover are the Cardiovascular (TAH3, TSH3) and Cardiovascular Plus (TAH4, TSH4) benefits.

Medical underwriting and non-medical limit requirements

General

Medical underwriting is done, but **not** for the following:

- If a life insured takes only the Funeral Expenses or accidental benefits, with or without Cashback.
- If a life insured exercises a proof-free option to take out cover.

The medical underwriting decision may be any of the following:

- accept the cover on standard terms with no medical loadings or medical exclusions;
- accept the cover and add a medical loading;
- accept the cover and apply a medical exclusion;
- decline all or a part of the cover;
- accept the cover with any combination of the decisions above..

In accordance with the HIV testing protocol of the Association for Savings and Investment South Africa (ASISA), no samples may be processed by any service provider without documentary proof that:

- in the case of an HIV test, the client has received the required pre-testing information, and
- a photographic identity check has been carried out by the person taking blood or urine samples, and
- the life insured has signed informed consent for an HIV test.

If these prescriptions are not complied with, we reserve the right to withhold payment for the services by a service provider.

Before any test may be done, the applicant or life insured must have

- requested and authorised us to obtain information from the service provider, and
- agreed that we share information with other life offices directly or through ASISA for purposes of underwriting and/or claims assessment.

In terms of ASISA protocol the applicant/life insured may enquire about information held by ASISA and such information will be made available to him/her by his/her nominated medical practitioner.

Identification policy for medical examinations and tests

ASISA requires that lives insured must identify themselves before undergoing certain medical examinations and tests for the insurance industry.

One of the following is required for proof of identity for medical examinations and tests:

- a valid RSA identity document;
- a valid temporary RSA identity document issued by the Department of Home Affairs;
- a valid card-type driver's licence issued by the Department of Transport in the RSA;
- a valid passport.

We reserve the right to request additional proof of identification.

Validity period of medical reports

Enquire at local underwriting office for detail about validity periods.

Requirements for completing medical reports and doing tests

Medical reports and tests will be accepted only if completed/done according to the requirements below.

Confidential short medical report

The *Confidential short medical report* (form AE2681) may be completed by any of the following:

- the life insured's family doctor;
- a general practitioner registered with the Health Professions Council of South Africa (HPCSA);
- a registered nurse or enrolled nurse, registered with the South African Nursing Council (SANC), and who is bona fide in the service of a medical practitioner, pathologist or third party service provider with whom Sanlam New Business has a valid contract.

Confidential medical report

The *Confidential medical report* (form AE2230) may be completed by any of the following:

- the life insured's family doctor;
- a general practitioner registered with the Health Professions Council of South Africa (HPCSA).

Body mass index (BMI) assessment

A BMI assessment may be completed by a registered nurse or enrolled nurse, registered with the South African Nursing Council (SANC), and who is bona fide in the service of a medical practitioner, pathologist or third party service provider with whom Sanlam New Business has a valid contract.

Personal medical adviser's report

To obtain a *Personal medical adviser's report* (form AE1762), the sales office sends the family doctor a letter with a request to complete a form AE1762 from the medical records of the life insured. It will never be necessary for a life insured to visit his/her doctor for this purpose.

X-rays

X-rays done by any of the following will be accepted:

- a radiologist;
- a general practitioner, if he/she has the necessary apparatus;
- a hospital.

Blood and urine samples

Only test results of ASISA-accredited pathology laboratories will be accepted.

Blood and urine samples* may be taken by any of the following:

- a practising medical practitioner registered with the Health Professions Council of South Africa (HPCSA);
- a registered nurse or enrolled nurse, registered with the South African Nursing Council (SANC), and who is bona fide in the service of a medical practitioner, pathologist or third party service provider with whom Sanlam New Business has a valid contract;
- a registered person who has been authorised by the HPCSA to draw blood and who is bona fide in the service of an accredited pathology laboratory.

*Note that not all service providers do urine tests for Cotinine. Therefore, if a planholder wants to have urine instead of blood tests done for Cotinine, he/she must first check if urine tests are done by the service provider that he/she is planning to use.

Availability of medical questionnaires

Medical questionnaires are available on the Sanlam intranet and SanPort.

Non-medical limit requirements

Not applicable to the Child: Illness and injury benefit.

The following rules will apply when non-medical limit requirements are determined:

- Only cover accepted by us within the last 12 months will be accumulated to determine the effective cover amount.
- Determine the category that must be used as follows:
 - Where benefits fall into both categories 3 and 4, the total of the cover amounts of the benefits in categories 3 and 4 must be used;
 - For all other benefits, the total cover amount of all the benefits in that category and the non-medical limit requirements for that category must be used.

The non-medical limit requirements are indicated in the tables below, where:

- A = Confidential short medical report* (form AE2681)
- B = Confidential medical report* (form AE2230)
- C = Effort ECG by general practitioner or family practitioner
- IC = Individual consideration.

*Refer to "Requirements for completing medical reports and doing tests" in this chapter.

The following applies **in addition to** the non-medical limit requirements indicated in the tables below:

- A fully completed application form, with "Statement of health by life insured" included, is always required for all benefit types.
- A cotinine test is always required for a non-smoker.
- Depending on the body mass index (BMI) of a life insured as per application form, we may require verification of height and weight for purposes of product pricing.
- An HIV test is sometimes required, and is dependent on the age and rate group of a life insured and the effective cover amount applied for. Refer to "HIV limit requirements" for more information.

Non-medical limit requirements for rate groups 1, 2 and 3			
Effective cover amount	Age next birthday		
	≤ 45	46 - 59	≥ 60
Category 1: DS, DS80, DEC, DSF1, DSF3, DSC, DG*, DP*, FS1, DI3*			
Category 2: OAR, OSR, OAR2, OSR2, OAS, OSS, CAR, CSR, CAR3, CSR3, CAR4, CSR4, CAR5, CSR5, CAS, CSS, OAF, OSF, OAI, OSI, OAP, OSP, OAP2, OSP2, OAP3, OSP3, Permanent disability cover on DSC, FS2, and disability and physical impairment cover on LAP and LSP			
≤ R2.5m	-	-	-
R2 500 001 – R5m	-	A	B, C
R5 000 001 – R12m	-	B, C	B, C
> R12m	IC	B, C, IC	B, C, IC
Category 3: Temporary disability cover on DSC**, IS1, IS2, IS3, IS4, IS5 Income benefits with waiting period < 12 months (OIT, OIT3, OIT4, OIT5, OIB, OIB4 OIO), OGG, OGG1, OPG, OPG1			
Category 4: Income benefits with waiting period ≥ 12 months (OIT3, OIO, OIO3, OIO4, OIO6), OIR			
≤ R15 000 per month	-	-	-
R15 001 – R30 000 per month	-	A	B, C
R30 001 – R60 000 per month	-	B, C	B, C
> R60 000 per month	IC	B, C, IC	B, C, IC
Category 5: TAT3, TST3, TAT4, TST4, TAH3, TSH3, TAH4, TSH4, TAW3, TSW3, TAW4, TSW4, TAC, TSC, TAC2, TSC2, TAW, TSW, TAW2, TSW2, dread disease cover on LAP and LSP, TIW3***			
≤ R500 000	-	-	A
R500 001 – R2m	-	A	B, C****
R2 000 001 – R4m	-	B, C****	B, C****
> R4m	A	B, C****, IC	B, C****, IC

*Category 1: For DG, DP and DI3 the monthly cover amounts will be converted to lump sums.

**Category 3: For DSC the lump sum cover amount will be converted to income.

***Category 5: For TIW3 the monthly cover amount x 12 will be used.

****Category 5: Requirement C will not apply for TAT3, TST3, TAT4 and TST4.

Non-medical limit requirements for rate groups 4 and 5			
Effective cover amount	Age next birthday		
	≤ 45	46 - 59	≥ 60
Category 1: DS, DS80, DEC, DSF1, DSF3, DSC, DG*, DP*, FS1, DI3*			
Category 2: OAR, OSR, OAR2, OSR2, OAS, OSS, CAR, CSR, CAR3, CSR3, CAR4, CSR4, CAR5, CSR5, CAS, CSS, OAF, OSF, OAI, OSI, OAP, OSP, OAP2, OSP2, OAP3, OSP3, Permanent disability cover on DSC, FS2, and disability and physical impairment cover on LAP and LSP			
≤ R4m	-	-	-
R4 000 001 – R8m	-	A	B, C
R8 000 001 – R20m	-	B, C	B, C
> R20m	IC	B, C, IC	B, C, IC
Category 3: Temporary disability cover on DSC**, IS1, IS2, IS3, IS4, IS5 Income benefits with waiting period < 12 months (OIT, OIT3, OIT4, OIT5 OIB, OIB4, OIO), OGG, OGG1, OPG, OPG1			
Category 4: Income benefits with waiting period ≥ 12 months (OIT3, OIO, OIO3, OIO4, OIO6), OIR			
≤ R25 000 per month	-	-	-
R25 001 – R50 000 per month	-	A	B, C
R50 001 – R100 000 per month	-	B, C	B, C
> R100 000 per month	IC	B, C, IC	B, C, IC
Category 5: TAT3, TST3, TAT4, TST4, TAH3, TSH3, TAH4, TSH4, TAW3, TSW3, TAW4, TSW4, TAC, TSC, TAC2, TSC2, TAW, TSW, TAW2, TSW2, dread disease cover on LAP and LSP, TIW3***			
≤ R2m	-	-	A
R2 000 001 – R5m	-	B, C****	B, C****
> R5m	A	B, C****, IC	B, C****, IC

*Category 1: For DG, DP and DI3 the monthly cover amounts will be converted to lump sums.

**Category 3: For DSC the lump sum cover amount will be converted to income.

***Category 5: For TIW3 the monthly cover amount x 12 will be used.

****Category 5: Requirement C will not apply for TAT3, TST3, TAT4 and TST4.

HIV limit requirements

Not applicable to the Child: Illness and injury benefit.

The following rules will apply when HIV limit requirements are determined:

- Only cover which has been accepted by us within the last 12 months will be accumulated to determine the effective cover amount;
- The monthly cover amounts of waiver of payment and death income benefits will be converted to lump sums to determine the effective cover amount for Category 1, while the lump sum cover amounts of Credit Life benefits will be converted to income for Category 3.

The effective cover amount in a category that must be used to determine the HIV limit requirements, is the total of the cover amounts of all the benefits in the category:

- Category 1: DS, DS80, DEC, DSF1, DSF3, DSC, DG, DP, FS1, DI3
- Category 2: OAR, OSR, OAR2, OSR2, OAS, OSS, CAR, CSR, CAR3, CSR3, CAR4, CSR4, CAR5, CSR5, CAS, CSS, OAF, OSF, OAI, OSI, OAP, OSP, OAP2, OSP2, OAP3, OSP3, Permanent disability cover on DSC, FS2, and disability and physical impairment cover on LAP and LSP
- Category 3: Temporary disability cover on DSC, IS1, IS2, IS3, IS4, IS5, Income benefits with waiting period < 12 months (OIT, OIT3, OIT4, OIT5, OIB, OIB4, OIO), OGG, OGG1, OPG, OPG1
- Category 4: Income benefits with waiting period ≥ 12 months (OIT3, OIO, OIO3, OIO4, OIO6), OIR
- Category 5: TAT3, TST3, TAT4, TST4, TAH3, TSH3, TAH4, TSH4, TAW3, TSW3, TAW4, TSW4, TAC, TSC, TAC2, TSC2, TAW, TSW, TAW2, TSW2, dread disease cover on LAP and LSP, TIW3*.

*For TIW3 the monthly cover amount x 12 will be used..

An HIV test is always required for rate group 1. For rate groups 2, 3 and 4, an HIV test is required if the effective cover amount in any of the five categories above exceeds the "Effective cover amount" indicated in the table below. The lives insured in rate group 5 who must undergo an HIV test will be randomly selected.

HIV limit requirements				
Age next birthday	Effective cover amount			
	Rate group 2	Rate group 3	Rate group 4	Rate group 5
≤ 45	≥ R10 000	≥ R10 000	≥ R10 000	Randomly selected
46 – 60	≥ R25 000	≥ R50 000	≥ R75 000	
≥ 61	≥ R25 000	≥ R50 000	≥ R200 000	

Territorial underwriting

Overseas underwriting

Overseas underwriting applies to lives insured who are in a foreign country at the time of application, or who are planning to travel to a foreign country during the next 12 months. For the purpose of this, the following countries/regions can be ignored: SADC countries (excluding Angola, the DRC, Mozambique and Zimbabwe), United Kingdom, Europe, United States of America, Canada, Australia and New Zealand.

The territorial underwriting decision may be any of the following:

- accept the cover on standard terms, with no territorial exclusions;
- accept the cover, but limit the rate group and cover amount;
- decline all or a part of the cover.

Also refer to the "Funeral Expenses benefit (FSC3)" section below for additional information.

Foreigner underwriting for foreigner in South Africa

Foreigner underwriting applies to a foreigner in South Africa. We will only consider cover for a foreigner who is in South Africa at the time of application, and who has the required documentation for identification.

The territorial underwriting decision may be any of the following, but also see "Funeral Expenses benefit (FSC3)" below for additional information for this benefit:

- accept the cover on standard terms, with no territorial exclusions;
- accept the cover and apply a foreigner's clause*;
- decline the cover.

*A foreigner clause will **never** be applied for foreigners with citizenship in **Lesotho or Namibia**.

Funeral Expenses benefit (FSC3)

Countries where cover for the Funeral Expenses benefit is excluded

We will not admit a claim for the Funeral Expenses benefit if a life insured dies in one of the following countries: Afghanistan, Angola: Cabinda Province, Burundi, Central African Republic, Chad, Democratic Republic of the Congo, Iran (Islamic Republic of Iran), Iraq, Lebanon, Libya (Libyan Arab Jamahiriya), Mali, Nigeria: Niger Delta, North Korea, Pakistan, Somalia, South Sudan, Sudan, the Syrian Arab Republic and Yemen. If a life insured lives or plans to live in one of these countries, it is the planholder's responsibility to request us in writing to end the Funeral Expenses benefit for that life insured. We will not refund any payments because of cover being excluded in these countries.

This list of countries may change in future and if another benefit version was applicable to a life insured in the past, this list of countries may differ from the countries in those list(s). If the cover amount of the Funeral Expenses benefit is increased, other than through benefit growth, the latest list of countries will apply to the increased part of the cover amount of the Funeral Expenses benefit. The list(s) of countries that applied to the cover amount before the increase will continue to apply to that part of the cover amount after the increase. Different lists of countries could therefore apply to different parts of the cover amount at the time of a claim.

The Funeral Expenses benefit (FSC3) for foreigners

Foreigners with citizenship in Lesotho or Namibia

The Funeral Expenses benefit is available to these foreigners, regardless of whether they live in South Africa or not. For these foreigners the Funeral Expenses benefit will cover claim events both inside and outside South Africa, excluding those countries where cover for the Funeral Expenses benefit is excluded.

Other foreigners

The Funeral Expenses benefit is not available to these foreigners if they do not live in South Africa or if they live in South Africa without valid travelling documents.

The Funeral Expenses benefit is available to these foreigners if they live in South Africa with valid travelling documents, but is restricted to claim events in South Africa only. However, if a foreigner life insured at any stage obtains a permanent residence permit, or South African citizenship, the Funeral Expenses benefit for that life insured will cover claim events both inside and outside South Africa, excluding those countries where cover for the Funeral Expenses benefit is excluded.

If a foreigner life insured as described in this section no longer lives in South Africa, it is the planholder's responsibility to request us in writing to end the Funeral Expenses benefit for that life insured. We will not refund any payments because of cover being restricted to claim events in South Africa only.

Territorial questionnaires

Not applicable to the Funeral Expenses benefit.

The *Residence/travelling outside the Republic of South Africa* (form AEVL07) must be completed for lives insured who are in a foreign country at the time of application, or who are planning to travel to a foreign country during the next 12 months. For the purpose of this, the following countries/regions can be ignored: SADC countries (excluding Angola, the DRC, Mozambique and Zimbabwe), United Kingdom, Europe, United States of America, Canada, Australia and New Zealand.

The *Foreign clients' questionnaire* (form AE4006) must be completed for:

- a foreigner who does not have a valid RSA identity document;
- a foreigner who is a refugee, regardless of whether the refugee has a valid RSA identity document or not.

The territorial questionnaires are available on the Sanlam intranet and SanPort.

Covid-19 vaccination status and underwriting

In certain instances the life insureds Covid-19 vaccination status will be taken into account when underwriting certain products and health statuses.

Due to this requirement the life insureds vaccination status must be completed on the COVID-questionnaire, as to whether they are fully vaccinated, partially vaccinated or unvaccinated.

In respect of lives with co-morbidities that result in additional underwriting loadings, the following cases will only be considered, with proof of vaccination – that is when underwriting new death benefits for Matrix products:

Financial Underwriting

The following cases will only be considered, with proof of vaccination:

- If age next birthday is greater than 70 and cover amount is greater than or equal to R10m.
- If age next birthday is greater than 60, but less than or equal to 70 and cover amount is greater than or equal to R20m.

(The total portfolio of the life insured will be taken into account when applying this new rule.)

For all lives (whether younger than age 60 next birthday, or older than age 60 next birthday) who are offered standard underwriting terms, no additional financial limits apply – even if they are unvaccinated.

Medical Underwriting

We may decline cover for lives with systemic co-morbidities that result in a moderate to severe loading individually, or in combination, unless proof of vaccination is provided, mostly in the age group older than 60 next birthday.

For lives younger than 60, we are no longer applying any additional temporary medical loadings or additional declines on medical grounds, based on vaccination status.

Proof of vaccination status

We will accept the following as proof of vaccination status:

- Screenshot of SMS received after vaccination (with unique vaccination code – the preferred verification method), or
- Copy of COVID-19 Vaccination Record Card, or
- Vaccination certificate

Partial vaccination, as well as full vaccination will be accepted for this purpose.

Please note that issuing will not be delayed where vaccination status does not play a role in the application process.

Underwriting for Professional Student Package

All applications for the Professional Student Package will be manually underwritten.

The health questions will be the same limited set of questions that apply to the Express option, except that the following question will also be added, given that the package includes a 7-day waiting period Sickness Income benefit:

- Have you ever had a caesarean section or pregnancy complications, or are you currently pregnant? (only applicable to females)

Due to the addition of the above question Tele-underwriting will not be available.

The Covid questionnaire and proof of vaccination requirements will apply as normal.

If further underwriting is required based on the answers to the health questions, such underwriting will be done as per Premier rules.

Medical testing for Cotinine, HIV and BMI

- All non-smoker clients will be selected for a Cotinine test
- Clients will be randomly selected for an HIV test
- BMI verification will only be required if the underwriter determines it to be necessary

Medical loadings or exclusions

Medical loadings and exclusions will apply as normal with the normal RFC (Request for Change) process being followed i.e. the student will have to accept a higher payment or an exclusion before the plan is issued. If underwriting results in certain benefits being declined, the remainder of the benefits can still be accepted. In this instance, the student package discount, will still apply, and will still be based on what the discount would have been had all the benefits been accepted on standard terms.

Medical aid membership will not be a requirement.

Occupational underwriting

Occupational underwriting will be as for a student. The student will need to confirm on the application form that they are studying full-time and are at least in their 4th academic year in one of the study fields that qualify for the package.

Given the small cover amounts, the student will not need to disclose any existing cover. The underwriter must however check that the same student does not take more than one student package.

Part-time activity questions, overseas/travel questions and foreigner underwriting rules will be as for the Premier service model.

Rates differentiation

Rates differentiation depends on the inception age of a life insured and the chosen cover amount for a benefit. For the Funeral Expenses benefit the insurable interest is also taken into account.

A body mass index (BMI) assessment may be done for purposes of product pricing. Currently an additional BMI payment may be charged for the Death, First death, Immediate Expenses and Death income benefits, but **not** for smokers, rate group 5 lives insured or lives insured with a post-matric/post-grade 12 qualification.

In addition to this, where a benefit offers a choice with regards to the following, the rate for a life insured may differ depending on the choices made:

- payment pattern and cover growth*
- guarantee period*
- with or without optional rider benefits
- benefit cease age
- benefit waiting period
- benefit payment period.

*This choice is made for a plan, but will apply to all the benefits of the plan.

Our other criteria for rates differentiation are indicated in the tables below.

Rates differentiation					
Benefit	Gender	Smoker status	Rate group	Accident class (occupation)	Disability class (occupation)
Life cover					
Death (DS)	√	√	√		
First death (DS80)	√	√	√		
Estate Expenses (DEC)	√	√	√		
Immediate Expenses (DSF3)	√	√	√		
Funeral Expenses (FSC3)	√				
Accidental death (ASC)	√			√	
Disability and impairment benefits					
Comprehensive Disability (CAR3, CSR3)	√	√			√
Comprehensive Disability Plus (CAR4, CSR4)	√	√			√
Elite Disability (CAR5, CSR5)	√	√			√
Comprehensive Impairment (OAI, OSI)	√	√			√
Accidental Comprehensive Disability (ASO3)	√			√	
Accidental Comprehensive Disability Plus (ASO4)	√			√	
Accidental Elite Disability (ASO5)	√			√	
Accidental Comprehensive Impairment (ASI)	√			√	
Severe illness benefits					
Cancer (TAT3, TST3)	√	√	√		
Cancer Plus (TAT4, TST4)	√	√	√		
Cardiovascular (TAH3, TSH3)	√	√	√		
Cardiovascular Plus (TAH4, TSH4)	√	√	√		
Comprehensive Severe Illness (TAW3, TAW3)	√	√	√		
Comprehensive Severe Illness Plus (TAW4, TSW4)	√	√	√		

Rates differentiation for Risk products					
Benefit	Gender	Smoker status	Rate group	Accident class (occupation)	Disability class (occupation)
Dread disease and injury benefits					
Core dread disease (TAC, TSC)	√	√	√		
Whole life core dread disease (TAC2, TSC2)	√	√	√		
Child: Illness and injury (TSK)	√		√ (of the parent/legal guardian)		
Accidental injury (ASW)	√			√	
Credit Life cover					
Credit Life (DSC)	√	√	√		√
Waiver of payment and Future cover					
Waiver of payment with future growth at death (DG)	No rates differentiation for gender, smoker status, rate group, disability class and accident class.				
Waiver of payment without future growth at death (DP)					
Waiver of payment with future growth at disability (OGG1)					√
Waiver of payment without future growth at disability (OPG1)					√
FutureCover: Death (FS1)	√	√	√		
FutureCover: Comprehensive (FS2)	√	√	√		√
Income protection					
Sickness Income (IS4) and Sickness Income Plus (IS5) (with or without the optional Spouse protector and Child protector rider benefits)	√	√			√
Temporary Income (OIT4) and Temporary Income Plus (OIT5) (with or without the optional Spouse protector and Child protector rider benefits)	√	√			√
Overhead expenses (OIB4)	√	√			√
Extended Income (OIO4) and Extended Income Plus (OIO6)	√	√			√
Impairment Income (OII)	√	√			√
Accidental Temporary Income Plus (AIT)	√	√		√	
Accidental Extended Income Plus (AIO)	√	√		√	
Severe illness income (TIW3)	√	√	√		
Death income (DI3)	√	√	√		
Cashback					
Cashback (RS)	The payment for this benefit is a fixed percentage of the total payment for all the other applicable benefits of a life insured with the Cashback benefit.				

New business service offerings

Medical support services

To make medical underwriting easier, walk-in services as well as Nurses on wheels (NOW) are available to clients, once underwriting terms have been set.

Walk-in services at doctors, pathologists, MediCross and Intercare facilities

The walk-in services offered at pathologists, MediCross and Intercare facilities are:

- drawing of blood;
- completion of the *Confidential short medical report* (form AE2681);
- completion of ad hoc medical questionnaires.

Nurses on wheels (NOW)

If the payment for a new plan is R300 or more, and the final underwriting terms have been set, clients can make use of Nurses on wheels (NOW). These nurses are available, by appointment only, to visit clients at their place of work for the following:

- drawing of blood;
- completion of the *Confidential short medical report* (form AE2681);
- completion of ad hoc medical questionnaires.

No minimum payment applies to the clients below, and these clients automatically qualify for NOW services once the final underwriting terms have been set:

- clients of VIP brokers;
- clients of bank brokers;
- rate group 5 clients;
- clients of Cobalt for Professionals;
- clients of a select group of about 200 brokers, as determined by regional general managers, who are frequent writers of risk business.

Once the final underwriting terms have been set, contact NOW@sanlam.co.za or call (021) 916 3600 (option 4) for further assistance.

Tele-underwriting

A client in rate groups 2 to 5 can choose to be called by a tele-underwriter at any time between 08:00 and 20:00 (Monday to Friday). Tele-underwriting is not currently available to rate group 1 clients.

If tele-underwriting is selected:

- the client will do medical declarations telephonically via a tele-interview;
- no completion of medical questionnaires by the intermediary is required.

The benefits to an intermediary of making use of tele-underwriting are the following:

- shorter client visits;
- less administration;
- no accountability for inaccurate answers to medical questions;
- some clients prefer the privacy of a telephone conversation;
- some clients may prefer not to disclose personal information to an intermediary;
- all calls are recorded for future reference.

All tele-underwriting calls by Sanlam Life will be made from 087 350 9073. As clients are often reluctant to answer numbers that they may not be familiar with, they may find it useful to save this number. This number can also be called to, for example, leave a message for an alternative interview time.

Contact details

To make use of the new business service offerings, call (021) 916-3600.