

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.

Underwriting for Express

Summary of underwriting for Express	3
Deterioration of insurance risk	4
Before our obligations take effect	4
Once our obligations have taken effect	4
Insurable interest	5
General	5
Explanations	5
Spouse	5
Child	5
Parent	5
Grandparent	5
Other family	5
Ensure that underwriting progresses smoothly	6
Occupational underwriting	6
Occupations/occupational duties that do not qualify	6
Other occupations	6
Professional	6
Administrative or Clerical work	6
Combination of Administrative duties and Travel	7
Combination of Light work and Travel	7
Student, Housewife, Pensioner	7
Teacher, Educator	7
Entertainment and Performing Arts	7
Nurse or Physiotherapist	7
Qualified Tradesperson doing skilled work	7
Mostly Travel or Delivery	7
Manual work (no unusual risk)	7
Pilot or Air Traffic Controller	7
Higher rank Armed Forces, Correctional Services or Police	7
Lower rank Armed Forces, Correctional Services or Police, and other risky occupations	7
Underwriting decision	7
Rate group	8
Rate group 5	8
Rate groups 1, 2, 3 and 4	8
Examples of qualifications to determine rate groups 1 to 4	9
Income	9
Average monthly income	9
Definitions of gross income	9
Gross income for lives insured in formal employment of an employer	9
Gross income for professionals in practice	10
Gross income for other self-employed lives insured	10
Gross income for pensioners	10
Business overhead expenses	10
Accident and disability classes	11
Underwriting for risky activities	11

Applying for the underwritten benefits of Express	11
Exclusions for risky activities	11
Financial underwriting	12
Maximum cover that can be applied for under Express (service model 4)	12
Absolute maximums	12
Lives not in the “Student, Housewife, Pensioner” occupational category	12
Lives in the “Student, Housewife, Pensioner” occupational category	13
Maximum available cover	13
Existing cover and incomplete applications for cover	15
Information required on the application form	15
Cover at Sanlam Life	15
Medical underwriting	17
General	17
Identification policy for random Cotinine and HIV tests and BMI assessments	17
Validity period of medical reports for random Cotinine tests, HIV tests and BMI assessments	17
Requirements for completing medical reports and doing tests	17
Body mass index (BMI) assessment	18
Blood and urine samples for random Cotinine and HIV tests	18
Territorial underwriting	18
Overseas underwriting	18
Countries where cover for the Funeral Expenses benefit is excluded	18
Foreigners	18
Foreigners with citizenship in Lesotho or Namibia	18
Other foreigners	19
Territorial questionnaires	19
Rates differentiation	19
New business service offerings	21
Medical support services	21
Walk-in services at doctors, pathologists, MediCross and Intercare facilities	21
Nurses on wheels (NOW)	21
Tele-underwriting	21
Contact details	21

Summary of underwriting for Express

A simplified underwriting process applies for Express, which streamlines the sales process for the intermediary as well as the client. Despite the manner in which the underwriting for Express has been simplified, our claims philosophy for Express is the same as for our other product options. Express clients can therefore enjoy the same peace of mind as under our other product options.

The following applies for Express:

- A shortened application form.
- The planholder's credit information from legally recognised resources or databases will be included in the risk assessment of the application. If this risk assessment does not meet Sanlam's minimum criteria, the application will be declined.
- Limited medical underwriting:
 - Only 13 health questions
 - Random Cotinine tests for lives insured who have indicated that they are non-smokers.
 - Random verification of height and weight.
 - Random verification of HIV status.
 - No other medical tests or examinations and there will be no requests for past medical reports.
- Lives insured with certain occupations or occupational duties do not qualify for the underwritten benefits* of Express, as indicated under "Occupational underwriting". Such lives can however apply for the Funeral Expenses benefit**.
- Lives insured who have participated in certain risky activities in the last 3 years before the quotation date or who are planning to do so in future do not qualify for the underwritten benefits of Express, as indicated under "Underwriting for risky activities". Such lives can however apply for the Funeral Expenses benefit**.
- Overseas underwriting applies to lives who are in certain countries at the time of application, or who are planning to travel to any of those countries during the next 12 months. Cover in certain countries is, however, always excluded for the Funeral Expenses benefit.
- Express is not available to foreigners who do not live in South Africa, and also not to foreigners who live in South Africa without valid travelling documents. Express is available to other foreigners but they will only have cover inside South Africa. Citizens of Lesotho and Namibia will however enjoy the same cover as South African citizens.
- It is compulsory for lives insured who apply for medically underwritten benefits to belong to a medical aid.

*Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits.

**An application for the Funeral Expenses benefit is subject to additional product rules, as indicated under "Insurable interest".

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***.

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 Express, as indicated under “Underwriting for risky activities” in this chapter, and the applicable chapters where exclusions for specific benefits are discussed.
- ***Cover in certain countries is excluded for the Funeral Expenses benefit. Also note the conditions that apply to foreigners. Refer to “Territorial underwriting” in this chapter for more information.

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 a planholder (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.

In addition, the rules of a particular product option may further limit the allowable insurable interests for that option.

For benefits other than Funeral Expenses, with or without Cashback, the relationship between the applicant and life insured can be any of the following:

- applicant and life insured the same person
- applicant and spouse.

For the Funeral Expenses benefit, with or without Cashback, the relation to the applicant can be any of the following:

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

The following additional product rules apply for the Funeral Expenses benefit on an Express plan:

- Immediate Expenses (DSF3) and/or Funeral Expenses (FSC3), with or without Cashback, may not be the only benefits on a plan.
- The planholder can have the Funeral Expenses benefit, with or without Cashback, only in combination with other benefits on his/her own life.
- The spouse can have the Funeral Expenses benefit on its own, or in combination with any of the other available benefits.
- The planholder's child, parent, grandparent, other family members and/or fiancé can only have the Funeral Expenses benefit, with or without the Cashback benefit - no other benefits are allowed for them.
- For the planholder and spouse the Immediate Expenses and Funeral Expenses benefits may be taken together on the same plan for the same life insured.

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, according to the insurable interest rules for the Express product option.
- Make sure all the required information is complete and correct at application stage, for example, make sure the following is provided:
 - accurate income, according to our definitions;
 - accurate occupation category selected;
 - accurate information about existing insurance.
- 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 questions, if applicable, are answered in full, e.g., provide all the detail requested if a health question has a “yes” answer. Provide as much information as possible to assist the underwriters to offer the best possible terms to the client.
- Provide the required documentation for replacements, as indicated on the application form.

Occupational underwriting

Occupations/occupational duties that do not qualify

Lives insured with any of the following occupations or occupational duties **do not qualify** for the underwritten* benefits of Express. Such lives can however apply for the Funeral Expenses benefit, with or without Cashback, under Express:

- Working underground for more than 10 hours per week
- Working at heights of more than 15 meters
- Working with voltages of more than 10000V
- Working on an oil rig, or with asbestos, or with explosives
- Cash in transit industry, debt collecting (excluding per telephone) or micro-lending
- Security guard, body guard, escort, bouncer or private investigator
- Driving or owning a minibus taxi
- Helicopter flying, flying at low altitudes, or flying fighter aeroplanes
- Diving, stuntwork or hunting big game
- Professional sportsman or -woman
- Unemployed (excl., housewives, students or pensioners).

*Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits..

The above lives may however be able to obtain cover on the Classic and Premier product options, subject to full underwriting.

Other occupations

Other occupations may qualify, and will be classified into one of the following occupational categories. The category that applies to a life insured will be the category that best describes the life insured's work.

Professional

Those with a post-graduate qualification who perform a professional occupation (e.g. doctor, lawyer, accountant, engineer, scientist). Typically registered with a professional body. Also include IT professionals, university lecturers and school principals.

Administrative or Clerical work

Clerical, administrative, information technology or managerial occupations involving mostly office duties, with on average less than 1 hour a day travel or light physical duties.

Combination of Administrative duties and Travel

Travelling sales representatives or other administrative and sales occupations involving, on average, more than 1 hour of travel per day. (May include on average light physical duties of less than 1 hour).

Combination of Light work and Travel

Business owners or workers performing light physical duties in non-hazardous environments (e.g. coffee shop owners), claims assessors or light-physical skilled workers (e.g. electric appliance or other technicians), farmers.

Student, Housewife, Pensioner

Teacher, Educator

Entertainment and Performing Arts

Nurse or Physiotherapist

Qualified Tradesperson doing skilled work

Qualified tradespeople involved in non-hazardous environments doing light physical work (e.g. hair dressers, qualified plumbers, cabinet makers, workshop owners or business owners supervising and performing light physical duties in a workshop or factory environment, electricians (low voltage), game rangers).

Mostly Travel or Delivery

Manual work (no unusual risk)

Manual workers, who are not subject to unusual accident or health risks (e.g. cleaners, fencing contractors, mechanics).

Pilot or Air Traffic Controller

Higher rank Armed Forces, Correctional Services or Police

Army, Air force (excluding Pilot), Navy, Correctional Services or Police with ranks of Warrant Officer and higher or Correctional Officer I and higher, excluding persons with administrative duties only.

Lower rank Armed Forces, Correctional Services or Police, and other risky occupations

- Army, Air force (excluding Pilot), Navy, Correctional Services or Police with ranks of Sergeant/Staff Sergeant/Flight Sergeant/Chief Petty Officer and lower, excluding persons with administrative duties only
- Paramedics, Firefighters, Ambulance workers, Traffic officers
- Working with voltages from 1000V to 10000V
- Working underground (but not more than 10 hours per week)
- Working in a dry cleaner or with pesticides
- Street vendors
- Construction workers and builders (not working at heights of more than 15 meters).

Underwriting decision

The occupational underwriting decision for the underwritten* benefits may be any of the following:

- Accept cover on standard terms with no occupational loadings or occupational exclusions.
- Decline disability cover for certain occupational categories.

*Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits.

Rate group

Each underwritten life insured* is classified into one of five rate groups (1 to 5). Lives insured in certain occupational categories **and** with a 4-year degree or equivalent or higher may qualify for rate group 5. If a life insured does not qualify for rate group 5, only the income and qualification is used to determine the rate group.

*Underwritten lives insured are lives insured with at least one underwritten benefit. Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits.

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

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

Rate group 5

An underwritten life insured* may qualify for rate group 5 if his/her occupational category is one of the following::

- Professional
- Administrative or Clerical work
- Combination of Administrative duties and Travel
- Combination of Light work and Travel
- Student, Housewife, Pensioner
- Teacher, Educator
- Nurse or Physiotherapist.

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.

*Underwritten lives insured are lives insured with at least one underwritten benefit. Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits.

Rate groups 1, 2, 3 and 4

The requirements for rate groups 1 to 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, 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 to the monthly income 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 student the monthly income is the greater of the monthly income of the two parents/legal guardians.
- See "Income for pensioners" for more information about the monthly income for pensioners.

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.

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.

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 underwritten life insured* is classified into one of five accident or disability classes (A - E), according to his/her occupational category (as described in the section "Other occupations" earlier in this chapter). The accident and disability classes may differ.

*Underwritten lives insured are lives insured with at least one underwritten benefit. Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits.

Underwriting for risky activities

Applying for the underwritten benefits of Express

The underwritten benefits* of Express are not available to lives who have participated in any of the following risky activities in the last 3 years before the quotation date or who are planning to do so in future. Such lives can however apply for the Funeral Expenses benefit, with or without Cashback:

- scuba diving at depths greater than 40 m, free diving at depths greater than 25 m, unaccompanied scuba diving or cliff diving;
- drag powerboat racing, competitive jet-skiing or competitive water skiing;
- helicopter or gyrocopter flying (other than as a passenger for sightseeing purposes);
- risky aviation activities with a fixed-wing aeroplane or flights as a student pilot;
- expedition style mountaineering, solo climbing mountaineering or expedition caving;
- recurrent (more than once) hang-gliding, paragliding, parasailing, sky-diving, parachuting, sky-surfing or microlight flights.

*Underwritten benefits are benefits other than the Funeral Expenses and Cashback benefits.

The above lives may however be able to obtain cover on the Classic and Premier product options, subject to full underwriting.

Exclusions for risky activities

We will not admit a claim if the claim event resulted directly or indirectly from any of the following risky activities:

- recurrent (more than once) hang-gliding, paragliding, parasailing, sky-diving, parachuting, sky-surfing or microlight flights.

The above exclusions for risky activities **do not apply** to the following benefits:

- Death
- Immediate Expenses
- Funeral Expenses
- Death cover on Credit Life
- Death income.

We will also not admit a claim if the claim event resulted directly or indirectly from any of the following risky activities indicated below. These exclusions **do not apply** to the Funeral Expenses benefit.

- acrobatic flights or BASE jumping;
- cave diving, commercial diving, or the exploration of underwater wrecks for financial gain;
- motorised racing or speed contests;
- professional boxing, professional kick-boxing or professional wrestling.

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.

Maximum cover that can be applied for under Express (service model 4)

The calculation of maximum 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 not in the “Student, Housewife, Pensioner” occupational category

Benefit	Absolute maximums (subject to financial underwriting)
Lump sum benefits	
Death-related cover	
Death	R5 000 000
Estate Expenses	R5 000 000
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	R5 000 000
Disability- and impairment-related cover	
<ul style="list-style-type: none"> • Comprehensive Disability/-Plus • Comprehensive Impairment • Accidental Comprehensive Disability/-Plus • Accidental Comprehensive Impairment 	R5 000 000
Severe illness/dread disease-related cover	
<ul style="list-style-type: none"> • Cancer/-Plus • Cardiovascular/-Plus • Core dread disease (including Whole life) 	R5 000 000
Credit Life cover	
Credit Life	R5 000 000

Lives in the “Student, Housewife, Pensioner” occupational category

Benefits offering cover for occupational disability (lump sum or income), the Credit life and severe illness income benefits are not available to any of these lives. The absolute maximums for the available benefits are as follows, subject to financial underwriting:

- Immediate Expenses and Funeral Expenses: Same as above.
- Other lump sum benefits: R2 000 000.

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 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 R5 million for a life insured under the Express product option.
- 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
 - **Disability cover:** [Monthly income x Conversion factor x (Sliding scale percentage, limited to a maximum of 75%)] + [24 x Monthly income].

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

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 form

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
- Temporary disability income
- Disability income (less than 24 month waiting period)
- Disability income (24 month waiting period)
- 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, and • All other death-related benefits, excluding funeral benefits
Estate Expenses (DEC)	<ul style="list-style-type: none"> • 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>	<ul style="list-style-type: none"> • FSC2, FSC3, and • All other funeral-related benefits (except DSF1)
Accidental death (ASC)	<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, OAF, OSF, OAI, OSI, ASI, OAP, OSP, OAP2, OSP2, OAP3, OSP3, LAP, LSP, DSC, OGG, OGG1, OPG, OPG1, OIO, OIO3, OIR, andOA, OB, OC, OD, OE, OF, OG, OGG, OP, OPG, M-OP, T46, T47, T48ASO, ASO3, ASO4, ASO5, ASI
Comprehensive Disability Plus (CAR4, CSR4)	
Comprehensive Impairment (OAI, OSI)	
Accidental Comprehensive Disability (ASO3)	
Accidental Comprehensive Disability Plus (ASO4)	
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)	
Core dread disease (TAC, TSC)*	<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
Whole life core dread disease(TAC2, TSC2)*	
Credit Life cover	
Credit Life (DSC)	<ul style="list-style-type: none">DS, DS80, DSF1, DSF3, ASC, DSC, DI3, andAll other death-related benefits, excluding funeral benefits

*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

General

Medical underwriting is done, but **not** if a life insured takes only the Funeral Expenses or accidental benefits, with or without Cashback.

The following applies:

- Only 13 health questions.
- Random Cotinine tests for lives insured who have indicated that they are non-smokers. If the test result is positive, the application will be declined and future applications made for Express within the next 12 months thereafter will also be declined.
- Random verification of height and weight (also referred to as “Body mass index assessment” or “BMI assessment”).
- Random verification of HIV status. Express is not available for lives who have ever tested positive for HIV. Refer to the chapter *Overview of Classic and Premier* for information about the benefits available for HIV positive lives under the Classic and Premier product options.
- No other medical tests or examinations will apply and there will be no requests for past medical reports.

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 a random Cotinine or HIV test or BMI assessment 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 random Cotinine and HIV tests and BMI assessments

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

One of the following is required for proof of identity for random Cotinine or HIV tests or BMI assessments:

- 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 for random Cotinine tests, HIV tests and BMI assessments

Enquire at local underwriting office for detail about validity periods.

Requirements for completing medical reports and doing tests

Medical reports and tests for random Cotinine tests and BMI assessments will be accepted only if completed/done according to the requirements below.

Body mass index (BMI) assessment

A Body mass index (BMI) assessment form (form AE4027) 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.

Blood and urine samples for random Cotinine and HIV tests

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

Blood and urine samples* to do random Cotinine and/or HIV tests 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.

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 sections below for additional information about the Funeral Expenses benefit and cover for foreigners.

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.

Foreigners

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.

Foreigners with citizenship in Lesotho or Namibia

Express is available to these foreigners, regardless of whether they live in South Africa or not. For these foreigners the benefits on the plan will cover claim events both inside and outside South Africa, excluding those countries where cover is excluded, if applicable.

Other foreigners

Express 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.

Cover 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 benefits on the plan for that life insured will cover claim events both inside and outside South Africa, excluding those countries where cover is excluded, if applicable.

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 benefits on the plan 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 territorial questionnaires are available on the Sanlam intranet and SanPort.

Rates differentiation

Rates depend on the age of a life insured, the guarantee period 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, 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*
- 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 below with a √.

Rates differentiation					
Benefit	Gender	Smoker status	Rate group	Accident class (occupation)	Disability class (occupation)
Life cover					
Death (DS)	√	√	√		
Immediate Expenses (DSF3)	√	√	√		
Estate Expenses (DEC)	√	√	√		
Funeral Expenses (FSC3)	√				
Accidental death (ASC)	√			√	
Disability and impairment benefits					
Comprehensive Disability (CAR3, CSR3)	√	√			√
Comprehensive Disability Plus (CAR4, CSR4)	√	√			√
Comprehensive Impairment (OAI, OSI)	√	√			√
Accidental Comprehensive Disability (ASO3)	√			√	
Accidental Comprehensive Disability Plus (ASO4)	√			√	

Rates differentiation					
Benefit	Gender	Smoker status	Rate group	Accident class (occupation)	Disability class (occupation)
Disability and impairment benefits					
Accidental Comprehensive Impairment (ASI)	√			√	
Severe illness benefits					
Cancer (TAT3, TST3)	√	√	√		
Cancer Plus (TAT4, TST4)	√	√	√		
Cardiovascular (TAH3, TSH3)	√	√	√		
Cardiovascular Plus (TAH4, TSH4)	√	√	√		
Dread disease and injury benefits					
Core dread disease (TAC, TSC)	√	√	√		
Whole life core dread disease (TAC2, TSC2)	√	√	√		
Accidental injury (ASW)	√			√	
Credit Life cover					
Credit Life (DSC)	√	√	√		√
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

Walk-in services to draw blood/ take urine samples for Cotinine tests and for BMI assessments are offered at pathologists, MediCross and Intercare facilities. Note, however, 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.

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 to draw blood/ take urine samples for Cotinine or HIV tests and for BMI assessments.

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 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.