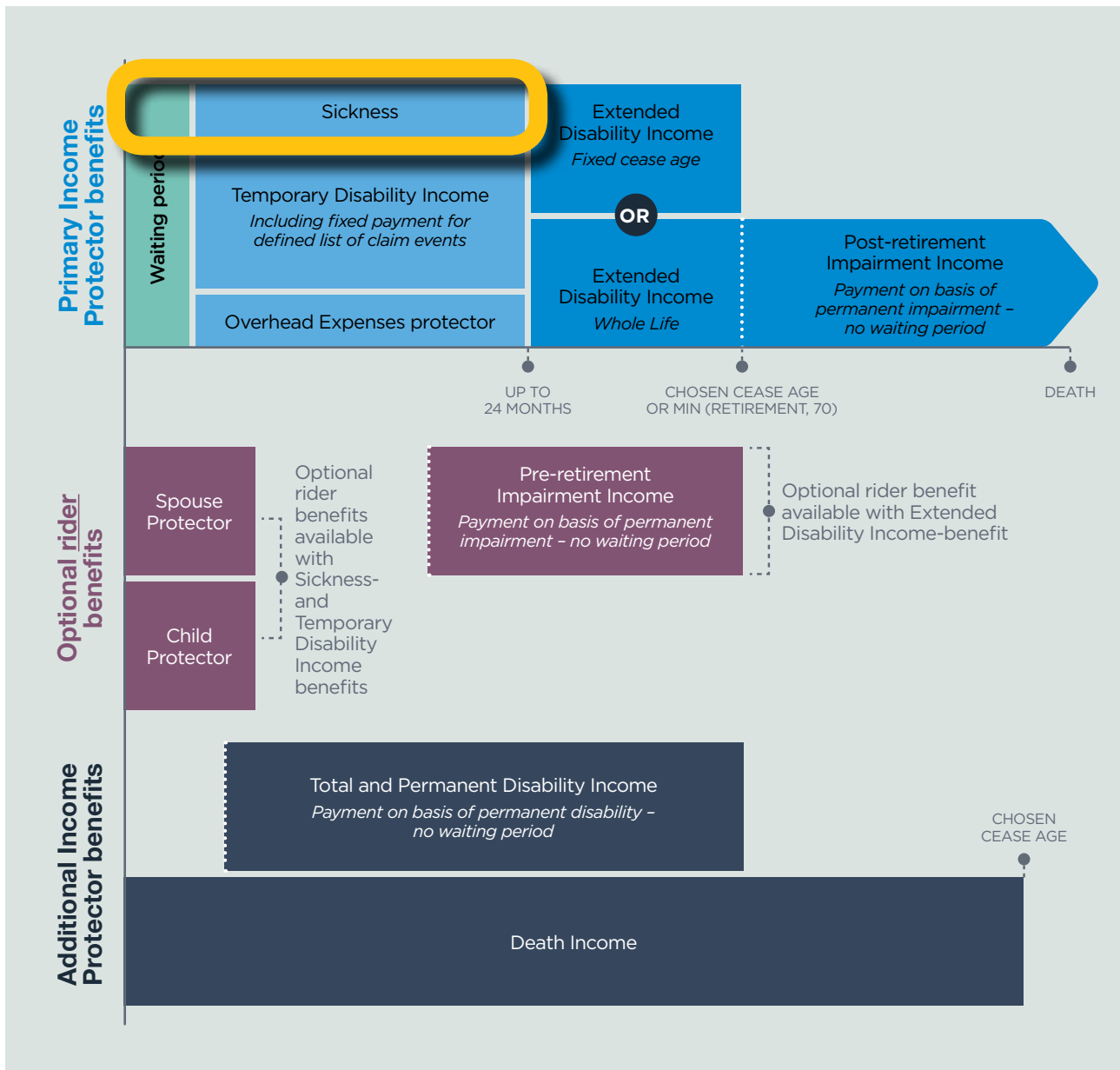


Sickness benefit (IS3)



Claim event

The Sickness benefit pays out when the life insured, as a result of illness or injury, is on sick leave, **regardless of whether income is still earned over that period or not**. For clients who qualify for it, it is therefore considered to be a simpler solution for short-term inability to work.

General features

- ▶ The benefit is NOT dependent on income loss.
- ▶ A benefit is paid for the number of days off sick, including weekends and public holidays, regardless of whether income is still earned or not.
- ▶ Cover will be expressed as a monthly amount, and actual claim amounts will be calculated on a pro rata basis.

▶ Waiting period:

- A waiting period (7 days, 14 days or 1 month) applies before any benefit is paid.
- If the period between consecutive periods of sick leave for the same cause is shorter than the specified waiting period, Sanlam Life will consider a claim once the consecutive periods of sick leave add up to the waiting period.
- If a 7-day waiting period applies, we will pay a claim from the date on which the sick leave starts instead of from the end of the waiting period.
- For the 14-day and 1-month waiting periods, claims will be paid from the end of the waiting period only. This is to provide a better match for the need to protect against income loss.

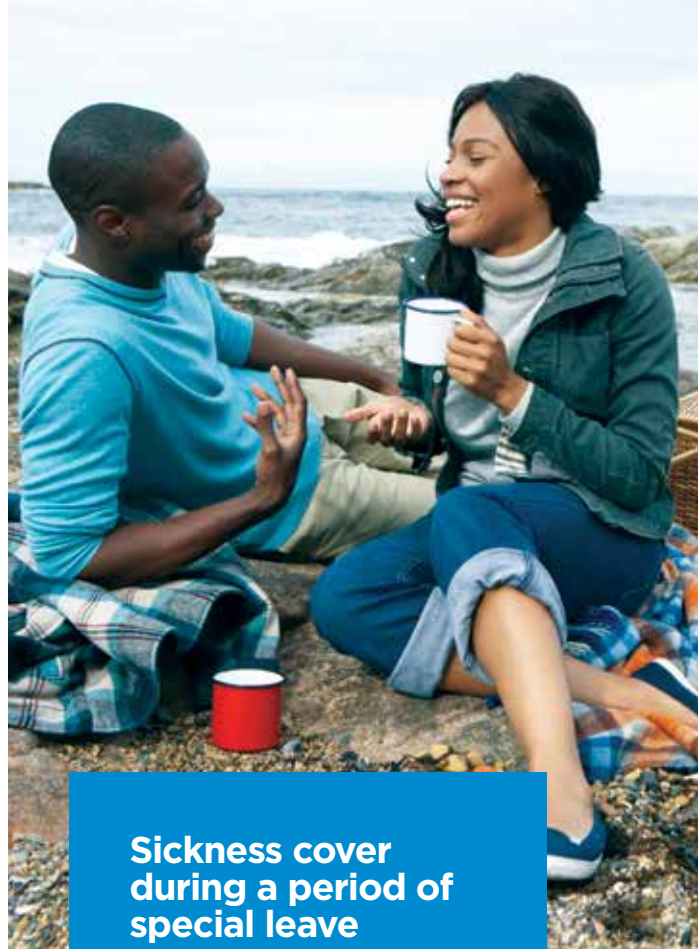
▶ Payment period:

- The payment period can be chosen up front, and corresponds to the maximum benefit (per cause):



- When the 1-month waiting period is selected together with the 24-month payment period, the maximum benefit will, however, be 23 payments per cause.
- ▶ The Sickness benefit is not reduced for other disability income benefits that may be payable at the same time.
- ▶ Payments are not waived during a sickness claim.

- ▶ The payment of partial claims will be considered on an ex gratia basis.
- ▶ The Sickness benefit can be taken in combination with other available benefits, but you cannot take a Sickness benefit and a Temporary Disability Income benefit on the same plan – only one of these benefits is allowed on a plan.
- ▶ The Sickness benefit may not be taken in terms of a FutureCover option.
- ▶ The Sickness benefit is available for key person insurance.



Sickness cover during a period of special leave

The Sickness benefit also provides cover during a period of special leave (sabbatical, unpaid maternity leave, etc.) of up to 12 months. However, for Sickness claims within the period of special leave an exclusion for certain back and psychological conditions will apply (see Risk Technical Guide for full details).



Benefit features

Stand-alone benefit available on Income Protector product

Guaranteed term

5 years, possible increase after expiry of the guaranteed term capped at 20%

Availability

- ▶ 3- or 4-year degrees (or equivalents)
- ▶ Most occupations
- ▶ Disability classes A, B & C

Waiting period options

- ▶ 7 days (disability class A)
- ▶ 14 days (disability classes A & B)
- ▶ 1 month (disability classes A, B & C)

Benefit payment period options

- ▶ 24 months
- ▶ 12 months
- ▶ 6 months
- ▶ 3 months

Inception ages

- ▶ **Minimum:** 18 anb
- ▶ **Maximum:** cease age less 5 years

Benefit cease age options

- ▶ 65 anb
- ▶ 70 anb

Minimum and maximum cover limits

Minimum: R3 000 per life insured per month

Maximum: R200 000 per life insured per month (to a maximum of a percentage of GPI according to the sliding scale below):

Gross professional Income (annual): GPI	Up to and including 55 anb	Older than 55 anb
GPI ≤ R100 000	90%	77%
R100 000 < GPI ≤ R 300 000	85%	72%
R300 000 < GPI ≤ R 400 000	80%	68%
R400 000 < GPI ≤ R 700 000	75%	64%
R700 000 < GPI ≤ R 1 500 000	70%	60%
R1 500 000 < GPI ≤ R 4 000 000	65%	55%
R 4 000 000 < GPI	60%	51%

It may be possible to qualify for additional Sickness cover on the basis of actual overhead expenses.

Available growth patterns

▶ Level with optional growth

- No growth
- Non-specified payment growth /5% cover growth
- Non-specified payment growth /CPI cover growth (max 15%)

▶ Compulsory growth

- Fixed compulsory growth
 - 5% payment growth /0% cover growth
 - 12% payment growth /5% cover growth
- Age-related* compulsory growth
 - 0% cover growth
 - 5% cover growth

**In order to have an age-related pattern that is more sustainable for income protection benefits, the premium increases on this pattern start reducing at older ages. See the Risk Technical Guide for the full details of this payment pattern.*

Optional rider benefits available to be taken with the Sickness benefit:

- ▶ Spouse protector*
- ▶ Child protector*

**Technical details available in the FlashFact for Income Protector: Optional rider benefits.*