



**Agricultural Sector
Provident Fund**



Employer and Employee Guide

(for new employers and members from 1 July 2022)



Contents

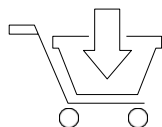
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Employee Benefits Solution



A unique Provident Fund for the agricultural sector offering **retirement, resignation, death, capital disability, as well as funeral benefits** to employees of the agricultural sector in a single package.

Product

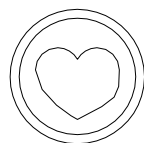


Through the formal agricultural sector, a Provident Fund for every employee in the agricultural sector was established. The administration, advice and actuarial services for the Fund are handled by Sanlam Corporate. The management of the Fund is handled by a Board of Management, with representatives from Sanlam, AGRI SA, LWO, TLU SA, as well as independent Board Members.

The Agricultural Sector Provident Fund comprises various plans, with each plan offering unique benefits. These plans are compiled in such a way as to offer individual members death, capital disability, and funeral benefits at affordable premiums with the inclusion of a savings component. The savings component is based on the gross contributions for every member of the Fund less the costs of administration, consultation, death, capital disability, and funeral benefits. The effectiveness of the savings component depends on the level of contributions, as well as the period over which contributions are made. The savings period of members who only joined the Fund at an older age is much shorter than those of younger members and subsequently their fund values will also be lower at retirement.

The Fund is extremely flexible and can satisfy a variety of needs while still uncomplicated enough to ease administration and limit costs.

Benefits for the Employer and his Employees



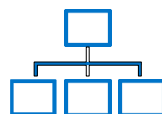
- ⊕ One monthly contribution covers all the benefits.
- ⊕ Employees get peace of mind.
- ⊕ Employees' accumulated fund values are transferable from one employer to the next.

Membership



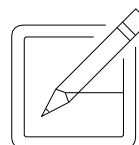
Each employee, in consultation with the employer, decides which plan he or she wants to join. Employers are registered as participating employers within the Fund. All permanent employees under the age of 65 are required to join the Fund. The Fund is flexible enough to provide for employees to amend their plan within the Fund, if needed.

Management



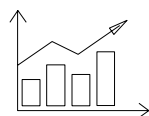
The Board of Management is supported by a Principal Officer who ensures that the decisions are executed and properly implemented.

Administration



The Fund is administered by Sanlam Corporate and audited annually by independent auditors. The benefits provided by the separate group schemes are insured with Siyavika through a cell-captive arrangement with Guardrisk. The election of the re-insurer lies with the Board of Management who regularly tests the market to ensure that the most competitive services and premiums are negotiated.

Investments



The portion of the contributions available for retirement funding (savings component) is invested in a relevant portfolio of a well-known investment manager to ensure that members' savings component is exposed to growth with limited risk.

The Board of Management is responsible for the selection of investment managers and this is reviewed regularly to maintain good returns on the Fund investments. The Board of Management of the Agricultural Sector Provident Fund has an investment strategy according to which lower risk for members is maintained but it also attempts to obtain acceptable growth. The current investment portfolios of the Fund is the Sanlam Stable Bonus Fund.

Ownership



Although employers are registered as participating employers of the Fund, a separate investment account is kept for every employee (who is a member of the Fund). Thus, every employee has ownership of his or her own investment account.

Benefit structures

To make provision for different needs, different benefit plans are offered. The benefit structures are set out in the tables below:

Contributions and separate group scheme structures from 1 July 2022 to 30 June 2023

PLAN		A1	A2	B	C1 (Closed)	C2	C3 (Closed)	D	E
CONTRIBUTION		R 170.00	R 170.00	R 192.00	R 216.00	R 216.00	R 306.00	R 258.00	R 432.00
DEATH COVER	Cover	-	R 14,000	R 17,000	R 17,000	R 20,000	R 20,000	R 25,000	R 35,000
	Premium	-	R 17.71	R 21.50	R 21.50	R 25.30	R 25.30	R 31.63	R 44.28
CAPITAL DISABILITY COVER	Cover	-	-	-	-	-	R 20,000	R 25,000	R 35,000
	Premium	-	-	-	-	-	R 8.28	R 10.35	R 14.50
FUNERAL COVER	Cover	-	R 12,000	R 16,000	R 19,000	R 19,000	R 19,000	R 20,000	R 30,000
	Premium	-	R 26.22	R 35.00	R 41.55	R 41.55	R 41.55	R 43.70	R 65.55
PAID UP FUNERAL POLICY	Cover	-	-	-	R 5,000.00	-	R 7,500.00	-	-
	Premium	-	-	-	R 20.13	-	R 30.20	-	-
ADMINISTRATION COSTS	Fee *	R 10.36	R 10.36	R 10.36	R 10.36	R 10.36	R 10.36	R 10.36	R 10.36
BROKER COMMISSION	Fee **	R 9.78	R 9.78	R 11.04	R 12.42	R 12.42	R 17.60	R 14.84	R 24.84
LESS TOTAL COST		R 20.14	R 64.07	R 77.90	R 105.96	R 89.63	R 133.29	R 110.88	R 159.53
NET CONTRIBUTION TOWARDS SAVING		R 149.87	R 105.94	R 114.10	R 110.04	R 126.37	R 172.72	R 147.13	R 272.47
% OF CONTRIBUTION		88.16%	62.31%	59.43%	50.94%	58.50%	56.44%	57.03%	63.07%
Asset based Operating Expenses	Administration Fee *	0.2875% of total assets of the fund per annum							
	Broker Commission **	5.75% of Plan contribution towards the appointed Independent Advisor							
	Fund expenses	0.6% of total assets of the fund per annum							
	Benefit & Investment Consulting and Actuarial Services	0.695% of total assets of the fund per annum							

The below plans are available only to employees earning a minimum salary of R10 000 per month:

Contributions and separate group scheme structures from 1 July 2022 to 30 June 2023

PLAN		SAL 1	SAL 2	SAL 3	SAL 4
CONTRIBUTION		R 573.00	R 859.00	R 1,147.00	R 2,867.00
DEATH COVER	Cover	R 100,000	R 150,000	R 200,000	R 500,000
	Premium	R 65.60	R 98.70	R 131.00	R 328.00
CAPITAL DISABILITY COVER	Cover	R 100,000	R 150,000	R 200,000	R 500,000
	Premium	R 33.40	R 50.00	R 66.70	R 167.00
FUNERAL COVER	Cover	R 35,000	R 35,000	R 35,000	R 35,000
	Premium	R 51.50	R 51.50	R 51.50	R 51.50
ADMINISTRATION COSTS	Fee *	R 10.36	R 10.36	R 10.36	R 10.36
BROKER COMMISSION	Fee **	R 32.95	R 49.39	R 65.95	R 164.85
LESS TOTAL COST		R 193.81	R 259.95	R 325.51	R 721.71
NET CONTRIBUTION TOWARDS SAVING		R 379.19	R 599.05	R 821.49	R 2,145.29
% OF CONTRIBUTION		66.18%	69.74%	71.62%	74.83%

Asset based Operating Expenses	Administration Fee *	0.2875% of total assets of the fund per annum
	Broker Commission **	5.75% of Plan contribution towards the appointed Independent Advisor
	Fund expenses	0.6% of total assets of the fund per annum
	Benefit & Investment Consulting and Actuarial Services	0.695% of total assets of the fund per annum

Contributions



Contributions are paid monthly in advance through a debit order. This process eases administration and limits administrative costs to a minimum. No provision is made for alternative payment methods. Premiums for the death, capital disability, and funeral benefits, as well as the fixed administration and consultation fee, are deducted from the monthly contribution and the balance (net contribution) is invested to provide for the savings component to be paid on retirement, resignation or death.

It is extremely important to note that contributions have to be paid on a monthly basis. If your bank refuses payment, irrespective of the reason, the members' group scheme benefits will be suspended, and no claims will be accepted. If the deduction is refused for a second consecutive month, the membership to the Fund of all members involved will be suspended until the employer rectifies the situation. However, the death, capital disability and funeral benefits cannot be paid or reinstated retrospectively.

It is the employer's responsibility to inform members immediately when payments to the Fund are refused by the bank as the members will not enjoy cover as provided under the separate group schemes until the relevant payments are honoured.

The Board of Management will re-evaluate and adjust the contribution plans annually. Members' contributions will automatically be adjusted annually.

Contribution plans



- ⊗ The selected plans can differ from one employee to the next. The plans can also be reviewed and adjusted continuously. The amendment will only be activated after the administrative office has been informed of this in writing before the 20th of every month.
- ⊗ The employer and employee can decide for themselves which plan suits each individual employee. As a result some of the employees may choose plans with basic benefits while other employees may choose plans with more comprehensive benefits, after which it will be implemented accordingly.
- ⊗ It is not necessary for an employer to include all his employees on the same plan.
- ⊗ Members are also allowed to make additional contributions to the Fund for purposes of additional retirement funding.

Benefits

Retirement benefit



At retirement the member's death, capital disability and funeral benefits will cease. The member will be entitled to the total value of his or her savings component as at the date of retirement or can elect to become a deferred retirement member (subject to legislation). The member can retire at any stage between the ages of 55 and 70.

Withdrawal benefit



If the member leaves the service of the employer before retirement, the member's death, capital disability, and funeral benefits will cease. The member will be entitled to the total value of his or her savings component. The member is also offered the option of transferring the total value of his or her savings component to a new participating employer or transferring the total value to a preservation fund or the member can elect to become paid up in the Fund.

Death benefit



In the event of death before retirement, the member's death and funeral benefits in accordance with the chosen plan will be paid to the member's dependents. The total value of the member's savings component at date of death will be distributed to the member's dependants/nominees in terms of the Pension Funds Act.

Disability benefit



If the member becomes totally and permanently disabled (as determined by the insurer based on detailed medical evidence submitted and the benefit is approved) before the age of 65, the member will be entitled to the capital disability benefit in accordance with the chosen plan, after a waiting period of 6 months.

The member's death, capital disability, and funeral benefits will cease. The member will be entitled to the total value of his or her savings component at date of exit from the Fund.

Funeral

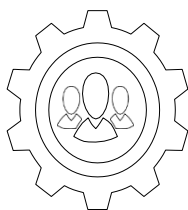


To make provision for different needs, different benefit plans are offered. The funeral benefits according to plan set out in the tables below:

	Plan	A1	A2	B	C2	D	E
FUNERAL	Member	-	R12 000	R16 000	R19 000	R20 000	R30 000
	Member	-	R12 000	R16 000	R19 000	R20 000	R30 000
	Spouse	-	R12 000	R16 000	R19 000	R20 000	R30 000
	Child 14 - 21	-	R6 000	R8 000	R9 500	R10 000	R15 000
	Child 6 - 13	-	R3 000	R4 000	R4 750	R5 000	R7 500
	Child 0 - 5	-					

	Plan	SAL1	SAL2	SAL3	SAL4
FUNERAL	Member	R35 000	R35 000	R35 000	R35 000
	Member	R35 000	R35 000	R35 000	R35 000
	Spouse	R35 000	R35 000	R35 000	R35 000
	Child 14 - 21	R17 500	R17 500	R17 500	R17 500
	Child 6 - 13	R8 750	R8 750	R8 750	R8 750
	Child 0 - 5				

Group scheme



Death and funeral benefits

These benefits are provided up to the age of 70. In general, these benefits are provided without any medical proof of health, but the Board of Management retains the right to request the principal member to submit proof of good health on entry to the Fund.

Capital disability benefit

This benefit is provided up to the age of 65 and is subject to a waiting period of 6 months. If the onset of disability occurs within 5 years prior to the member's attainment of age 65, the amount payable will be reduced by 20 per cent of the capital disability benefit offered by the chosen plan, for each year or part thereof by which the onset of such disability precedes the member's 65th birthday.

Please note that pre-existing conditions apply. This means that a member cannot claim for a medical condition that existed 6 months prior to his commencement date in the Fund/chosen plan within a 12 month period after the commencement date in the Fund/chosen plan.

General

Costs

⊕ Administration costs:

- Member fee of R10.36 (incl VAT) of contribution per member per month; and
- Benefit & Investment Consulting fees of fee of 0.695% (incl VAT) of assets per annum
- Admin levy on assets of 0.2875% (incl VAT) per annum.

⊕ Group scheme costs:

For member on Plan A1 to E

- Death benefit: R1.26 per R1 000 cover
- Capital Disability benefit: R0.41 per R1 000 cover
- Funeral benefit: R2.18 per R1 000 cover

For member on Plan SAL1 to SAL4

- Death benefit: R0.656 per R1 000 cover
- Capital Disability benefit: R0.334 per R1 000 cover
- Funeral benefit: R1.47 per R1 000 cover

The costs of Auditors, Financial Sector Conduct Authority, Pension Funds Adjudicator levies, Fidelity Guarantee cover and any other authorised costs are levied at 0.6% of assets in the Fund.

The administration cost as well as the costs attached to the group schemes is reviewed annually.

Procedure to become a member and enquiries



To join the Fund you need to complete and submit the application form to the Fund. Please e-mail the form to us at agrisectorfund@sanlam.co.za

Please refer to the attached communication regarding the collection and processing of personal information in terms of the Protection of Personal Information Act.

Enquiries may be directed through the following channels:

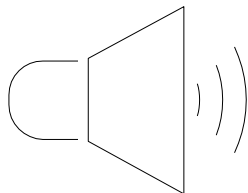
Website:
www.aspf.co.za

E-mail:
agrisectorfund@sanlam.co.za

Telephone:
011 286 1298

If you prefer to work through your existing financial adviser, he or she is very welcome to contact us for any information needed. Financial advisers are also available in some areas if you would like someone to visit you.

Communication



On receipt of the application form, completion of the entry administration and the successful payment of the first contributions, the employer will receive a membership certificate for every member of the Fund. These membership certificates are, however, only valid if contributions are fully maintained on a monthly basis.

You will also receive a document detailing the administrative processes and requirements of the Fund. Benefit statements will be issued annually to all employers. These statements will indicate to each member the value of his or her savings component as well as the benefits provided under the separate group schemes that the member is entitled to in terms of the plan selected.

Disclaimer

Although this document has been prepared with due care and in good faith, the interpretations and opinions are those of the authors and are subject to change without notice. As such, the contents do not constitute definitive advice and should not be accepted as such. Neither Sanlam Life Insurance Limited nor the authors accept liability for any damage whatsoever or however it may arise, including but not limited to, direct, indirect or consequential loss that may arise as a result of sole reliance on the information herein. Competent professional advice should be sought when dealing with any contentious issue. Sanlam Life Insurance Limited is a duly authorized financial services provider.

AGRICULTURAL SECTOR PROVIDENT FUND

NOTICE OF COLLECTION AND PROCESSING OF PERSONAL INFORMATION.

The AGRICULTURAL SECTOR PROVIDENT FUND (the Fund) collects and processes personal information in respect of all members participating in the Fund.

The Fund is established in accordance with the Pension Funds Act, with the purpose of providing retirement benefits to its members. To do so, it must collect some of your personal information to effectively administrate your member record, to ensure that your monthly contributions to the Fund is correctly allocated to your member record, that your benefit statement data is correct, and also to ensure that when you resign or retire from your employer, your fund benefit is paid out to you in accordance with your choice.

The Fund will also collect certain personal information of your beneficiaries and dependants in the event of your death to enable the Fund to distribute any death benefits payable from the Fund in accordance with the requirements of the Pension Funds Act.

The Protection of Personal Information Act (POPIA) stipulates that personal information may be collected and processed in accordance with a lawful obligation (in other words there is a law, like the Pension Funds Act, that requires it) In the ordinary course of business, your prior consent is not required.

The Fund wishes to provide you with the necessary comfort that it has reviewed all personal information collected/processed by the Fund and confirms that the information is collected/processed lawfully in terms of POPIA and in accordance with the requirements of the Pension Funds Act, Income Tax Act, Divorce Act or Maintenance Act, if applicable, or any other relevant legislation. The Fund has service providers, who are performing some of the Fund's duties and responsibilities on behalf of the Fund, and with whom your personal information is shared. The Fund is in the process of reviewing all our service agreements with the various service providers to ensure that POPIA is adequately provided for and that your personal information is lawfully processed and protected.

The type of personal information collected and processed by the Fund is as follows:

Active Members	Deceased member: estate/beneficiaries/dependants
Name & surname	<u>Estate details:</u>
Date of birth	Executor name and contact details
Identity number	Estate bank account
Nationality	Tax number
Occupation	
Residential address	<u>Dependants/beneficiary details</u>
Postal address	Name & surname of dependants/beneficiaries
Telephone numbers	Dates of birth
Income tax number	Identity numbers
Pensionable salary	Financial details
Period of service	Residential addresses
Bank account number	Employment details
Email address	Contact details
	Bank account numbers

Consent: as indicated above, personal information is collected by the Fund in accordance with a lawful obligation and therefore do not require prior consent from you as a member. There are limited instances where your prior consent will be required before personal information can be shared.

An example would be where, upon your resignation or retirement, you request the assistance of a financial advisor, other than the Fund appointed retirement counsellor/advisor, or where a beneficiary is allocated a benefit upon your death and the board of management of the Fund prefers that the beneficiary be assisted by a financial advisor.

Please rest assured that the Fund has gone to great lengths to identify these minor instances and has put the required controls in place to ensure that prior consent is obtained.

Incorrect/change to personal information: In the event that your personal information reflected on any Fund communication, such as benefits statements, is incorrect or has to be changed, you are advised to contact Zuber Ebrahim on Zuber.ebrahim@sanlam.co.za who will guide you in the process.

Complaints procedure

Should you have any concerns regarding a specific process/situation where you feel that your personal information was collected/shared without your consent or should you have a complaint which relates to the processing of your personal information or an infringement upon your rights, you are encouraged to contact the Fund directly to give the fund the opportunity to swiftly and efficiently address the matter internally.

Name: Zuber Ebrahim
Email: Zuber.ebrahim@sanlam.co.za
Telephone number: 011 286 1188

Should your complaint remain unresolved, you may submit a complaint to the Information Regulator in the prescribed manner and form alleging interference with the protection of your personal information.

The address of the Information Regulator is as follows:

The Information Regulator (South Africa)
33 Hoofd Street
Forum III,
3rd Floor
Braampark

PO Box 31533
Braamfontein,
Johannesburg,
2017

Complaints email: complaints.IR@justice.gov.za
General enquiries email: inforeg@justice.gov.za

AGRICULTURAL SECTOR PROVIDENT FUND
July 2022