

# Sanlam Nimbus Investments vs The Sanlam Wealth Edge Endowment Plan

## Comprehensive comparison

	Sanlam Nimbus Investments (underwritten by Safrican Insurance Company Ltd)	Sanlam Wealth Edge Endowment (underwritten by Sanlam Developing Markets Ltd)																									
<b>Additional allocation</b>	<ul style="list-style-type: none"> <li>- 8% upfront additional allocation. Upfront commission plus VAT is not deducted from the initial investment amount before the additional allocation is added. A reduction in the initial commission will lead to an increase in the total investment amount.</li> </ul> <table border="1"> <thead> <tr> <th>Commission</th> <th>8% allocation</th> </tr> </thead> <tbody> <tr> <td>3%</td> <td>105%</td> </tr> <tr> <td>2%</td> <td>106%</td> </tr> <tr> <td>1%</td> <td>107%</td> </tr> <tr> <td>0%</td> <td>108%</td> </tr> </tbody> </table>	Commission	8% allocation	3%	105%	2%	106%	1%	107%	0%	108%	<ul style="list-style-type: none"> <li>- 4% upfront Wealth Bonus</li> <li>- An additional 1% Wealth Bonus will be allocated to amounts invested in Solution Funds</li> </ul> <p>In line with RDR, the upfront advice fee plus VAT is deducted from the investment amount before the Wealth Bonus % is added. A reduction in the advice fee will lead to an increase in the total investment amount.</p> <table border="1"> <thead> <tr> <th>Advice fee (incl. VAT)</th> <th>4% Wealth Bonus</th> <th>Add 1% for Solution funds</th> </tr> </thead> <tbody> <tr> <td>3.45%</td> <td>100.4%</td> <td>101.4%</td> </tr> <tr> <td>2.30%</td> <td>101.6%</td> <td>102.6%</td> </tr> <tr> <td>1.15%</td> <td>102.8%</td> <td>103.8%</td> </tr> <tr> <td>0%</td> <td>104%</td> <td>105%</td> </tr> </tbody> </table>	Advice fee (incl. VAT)	4% Wealth Bonus	Add 1% for Solution funds	3.45%	100.4%	101.4%	2.30%	101.6%	102.6%	1.15%	102.8%	103.8%	0%	104%	105%
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	<b>Example</b>	<b>Example: 100% investment in Solution Funds</b>																									
<b>Investment amount</b>	R 1 000 000	R 1 000 000																									
<b>Less: Initial commission / advice fee of 3%</b>	Not deducted	R 34 500 (incl. VAT)																									
<b>Net investment amount</b>	R 1 000 000	R 965 500																									
<b>Plus: Upfront additional allocation</b>	5%	4%																									
<b>Rand amount allocated</b>	R 50 000	R 38 620																									
<b>Total Investment amount allocated to funds</b>	R 1 050 000	R 1 004 120																									
<b>Maximum commission</b>	<p>Max 3% upfront or 0.6% ongoing (depending on upfront commission taken). Example of possible combinations:</p> <table border="1"> <thead> <tr> <th>Upfront</th> <th>Ongoing</th> </tr> </thead> <tbody> <tr> <td>3%</td> <td>0%</td> </tr> <tr> <td>2%</td> <td>0.2%</td> </tr> <tr> <td>1.5%</td> <td>0.3%</td> </tr> <tr> <td>1%</td> <td>0.4%</td> </tr> <tr> <td>0%</td> <td>0.6%</td> </tr> </tbody> </table> <p>Vat excluded for comparison purposes</p>	Upfront	Ongoing	3%	0%	2%	0.2%	1.5%	0.3%	1%	0.4%	0%	0.6%	<p>Max 3% upfront and 0.6% ongoing (depending on upfront advice fee taken). Example of possible combinations:</p> <table border="1"> <thead> <tr> <th>Upfront</th> <th>Ongoing</th> </tr> </thead> <tbody> <tr> <td>3%</td> <td>0.3%</td> </tr> <tr> <td>2%</td> <td>0.5%</td> </tr> <tr> <td>1.5%</td> <td>0.6%</td> </tr> <tr> <td>1%</td> <td>0.6%</td> </tr> <tr> <td>0%</td> <td>0.6%</td> </tr> </tbody> </table> <p>Vat excluded for comparison purposes</p>	Upfront	Ongoing	3%	0.3%	2%	0.5%	1.5%	0.6%	1%	0.6%	0%	0.6%	
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<b>Provisions for additional allocation / Wealth Bonus</b>	The additional allocation / Wealth Bonus is added to the investment upfront and will enjoy unlimited growth in the funds in which the policy is invested																									
<b>Term</b>	5-year initial term and open-ended thereafter																									
<b>Type</b>	Endowment																									
<b>Life insured</b>	Max 10 natural persons																									
<b>Beneficiary</b>	Max 10																									
<b>Beneficiary type</b>	Natural person, Trust, Tax-paying institution, Tax-exempt institution																									
<b>Plan owner</b>	1 only																									
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<b>Nomination of Plan owner</b>	1 only. Can be a natural person or a trust of which all beneficiaries are natural persons																									
<b>Cession</b>	Collateral or Outright cession* <i>*Must be an individual or trust of which all beneficiaries are natural persons</i>																									
<b>Entry age</b>	Minimum: 1 next birthday Maximum: 90 next birthday																									
<b>Minimum premium</b>	R100 000																									
<b>Minimum ad-hoc</b>	R25 000 Section 54 of the Long-term Insurance Act: 120% rule applies A new Endowment must be issued for the amount above the 120% limitation																									
<b>Additional allocation on ad-hoc amounts</b>	<table border="1"> <thead> <tr> <th>Year</th> <th>Add allocation (3% commission)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td><math>100\% + (8\% - 3\%) = 105\%</math></td> </tr> <tr> <td>2</td> <td><math>100\% + (6\% - 3\%) = 103\%</math></td> </tr> <tr> <td>3</td> <td><math>100\% + (4\% - 3\%) = 101\%</math></td> </tr> <tr> <td>4</td> <td><math>100\% + (2\% - 3\%) = 99\%</math></td> </tr> <tr> <td>5</td> <td><math>100\% + (0\% - 3\%) = 97\%</math></td> </tr> </tbody> </table>	Year	Add allocation (3% commission)	1	$100\% + (8\% - 3\%) = 105\%$	2	$100\% + (6\% - 3\%) = 103\%$	3	$100\% + (4\% - 3\%) = 101\%$	4	$100\% + (2\% - 3\%) = 99\%$	5	$100\% + (0\% - 3\%) = 97\%$	<table border="1"> <thead> <tr> <th>Year</th> <th>Wealth Bonus (3.45% advice fee)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td><math>(100\% - 3.45\%) + 4\% = 100.41\%</math></td> </tr> <tr> <td>2</td> <td><math>(100\% - 3.45\%) + 3\% = 99.44\%</math></td> </tr> <tr> <td>3</td> <td><math>(100\% - 3.45\%) + 2\% = 98.48\%</math></td> </tr> <tr> <td>4</td> <td><math>(100\% - 3.45\%) + 1\% = 97.51\%</math></td> </tr> <tr> <td>5</td> <td><math>(100\% - 3.45\%) + 0\% = 96.55\%</math></td> </tr> </tbody> </table>	Year	Wealth Bonus (3.45% advice fee)	1	$(100\% - 3.45\%) + 4\% = 100.41\%$	2	$(100\% - 3.45\%) + 3\% = 99.44\%$	3	$(100\% - 3.45\%) + 2\% = 98.48\%$	4	$(100\% - 3.45\%) + 1\% = 97.51\%$	5	$(100\% - 3.45\%) + 0\% = 96.55\%$
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<b>Death benefit</b>	The fund value at the date on which we receive notice of death																									
<b>Death &amp; Additional allocation</b>	Upon death within the 5-year period, the investment value including the full additional allocation / Wealth Bonus will be paid																									
<b>Access to funds within restriction period</b>	One loan and one withdrawal (partial <u>or</u> full) during the restriction period, subject to certain terms and conditions.																									
<b>Funds</b>	<ul style="list-style-type: none"> <li>- Unit trust funds only <i>(No optional guarantees available on any of the funds)</i></li> <li>- Solution Funds managed according to risk profile</li> </ul>	<ul style="list-style-type: none"> <li>- Wide range of unit trust funds;</li> <li>- Six funds available with an optional 5-year unit price guarantee;</li> <li>- Solution Funds managed according to risk profile</li> </ul>																								

**Fund guarantees**

N/A

**5-year unit price guarantee**

The unique unit price guarantee is available on six funds:

- Cautious funds offer a guarantee of 100% of initial unit price or 95% of highest unit price reached during investment term.
- Moderate funds offer a guarantee of 100% of initial unit price or 90% of highest unit price reached during investment term.
- Moderately aggressive funds offer a guarantee of 80% of highest unit price reached during investment term.

An “insurance premium” is used to provide the unit price guarantee.

The investment is fully exposed to the relevant investment fund throughout the term.

The unit price guarantee has a fixed five-year term, linked to the investor’s individual investment.

The guarantee expires after five years.

The guarantee relates to the total return unit price of the relevant investment fund, net of tax.

The guarantee can be selected on a defined selection of multi-asset funds across cautious, moderate, and moderate aggressive risk profiles.

**Growth Sharing (fund performance capped)**

No growth sharing applies. The client receives full upside performance in any of the chosen funds.

**Alteration / Termination charges**

Year	Alteration charge % of Fund value
1	10%
2	8%
3	6%
4	4%
5	2%

Year	Alteration charge % of Fund value
1	8%
2	4%
3	0%
4	0%
5	0%

**Tax**

Taxed within the individual policholder fund.

**Nimbus: Loyalty Bonus  
Wealth Edge: Wealth  
Bonus**

Rebates on certain charges - the variable marketing and administration charge (VAC) - are added to the fund value in the form of a loyalty bonus on the plan anniversaries indicated below.

Plan anniversary from start date	Rebates on charges
5	0%
10	40%
15	50%
20	60%
25 and every 5 years thereafter	70%

Loyalty Bonus will also be added if the plan is terminated due to a death claim or on request on or after the original option date (5 years from the start date). If the date of the event falls between the dates in the table, the next plan anniversary in the table will be used.

A 4% Wealth Bonus (5% in the case of investments into our Solution Funds) will be added at the start of the investment. Wealth Bonus will then be added to the plan at the end of each of the periods below and will be based on the fund value at those points.

Plan anniversary from start date	Wealth Bonus of fund value %
5	4%
8	4%
10	4%
15, and every 5 years thereafter	4%

Only vested Wealth Bonuses are paid on termination of plan after year 5, unless due to death.

If death claim in-between periods, the % will be determined by interpolation.

**Lifestyle benefits**

N/A

Many [lifestyle benefits](#) are automatically included in Wealth Bonus

**Variable marketing and administration charge (VAC)**

A yearly variable marketing and administration charge, which is a percentage of the fund value. This charge is calculated on a monthly basis, which means it's divided by 12. The charge is deducted monthly from the fund value by selling units to the value of the charge. The VAC changes as the fund value increases to higher fund value bands, as indicated below:

One-off fund value band	Yearly VAC % of fund value
First R500 000	2%
Excess above R500 000	1.15%

One-off fund value band	Yearly VAC % of fund value
First R500 000	2%
Next R4 500 000	1.7%
Excess above R5 000 000	1.15%

**Continuations**

After the initial 5-year period the policy is continued 'open-ended' without any restrictions. The 120% rule will still apply.

**Access after 5 years**

Regular withdrawals are unlimited and although tax within the individual policyholder fund still applies, the withdrawals will be tax-free in the hands of the client.