



Sanlam Employee Benefits  
Group Risk Benefit Guide  
**Accident insurance**

Insurance

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# Accident insurance

**Should an employee be involved in an accident which results in death or the loss of bodily function, the Accident insurance provides a lump sum payment to the employee.**

**The structure of benefits, as selected, is set out in the accompanying cost document together with the premium applicable to the corresponding benefits.**

Should there be any inconsistencies between this document and the policy, the policy will prevail.

## About the benefit

The **Accident insurance** can be offered as part of a Life insurance policy or as a separate policy with only Accident insurance.

There are 3 types of Accident insurance available:

- ① Payable at **death** only
- ② Payable at **death** or **loss of bodily function**
- ③ Payable at **loss of bodily function** only

Employers/retirement funds can choose to offer their employees this insurance to make financial provision for employees should an accident occur. This means that should an accident cause the death or loss of bodily function of an employee, an amount equal to a certain percentage of the employee's Life insurance will be paid, i.e. in addition to the Life insurance.

Employers/retirement funds structure the Accident insurance to suit their employees' needs, which can be defined in various ways and combinations per category of employees.

It is usually defined as:

- ① A multiple of salary, or
- ② A formula, or
- ③ A fixed benefit amount.

## Benefit cessation age

The Accident insurance is available up to the earlier of the benefit cessation age/normal retirement age and the age of 65 years.

## Maximum age at entry

The employee must be younger or equal to the benefit cessation age/normal retirement age, up to the maximum of 65 years.



## More about the 3 types of Accident insurance available

These benefits become payable as a result of an accident only (see definition below) that leads to:

### 01 Death of an employee

A benefit will be paid as a result of the death of an employee following an accident.

If the death of the employee takes place within 12 months following the accident, a benefit can be claimed should the death of the employee result directly and solely from a bodily injury that occurred due to the accident.

### 02 Death or loss of bodily function of an employee

A benefit will be paid as a result of the death or loss of bodily function of an employee following an accident.

If the death or bodily injury takes place within 12 months following the accident, a benefit can be claimed:

- ① should the death of the employee result directly and solely from a bodily injury that occurred due to the accident; and
- ② in the case of disability, a claim can be admitted if the disability is caused directly and solely from a bodily injury that occurred due to the accident.

### 03 Loss of bodily function of an employee

A benefit will be paid where an employee loses bodily function as a result of an accident.

If the loss of bodily function manifests within 12 months following the accident, a claim can be admitted should the loss of bodily function be caused directly and solely by a bodily injury due to the accident.

## Maximum benefit

An amount equal to a percentage (as indicated below) of the total Accident insurance will apply:

Result of the accident		Percentage of Accident insurance
a	Death (only)	100%
b	The total, permanent, irrecoverable and simultaneous loss of the use (applicable to loss of bodily function only) <ul style="list-style-type: none"> <li>• of both eyes; or</li> <li>• of both hands; or</li> <li>• of both feet; or</li> <li>• of one hand and one foot; or</li> <li>• of one eye and one hand; or</li> <li>• of one eye and one foot.</li> </ul>	100%
c	The total, permanent, irrecoverable loss of the use (applicable to loss of bodily function only) <ul style="list-style-type: none"> <li>• of one eye; or</li> <li>• of one hand; or</li> <li>• of one foot; or</li> <li>• both ears.</li> </ul>	75%
d	The total, permanent and irrecoverable loss of the use of one ear (applicable to loss of bodily function only)	50%
e	The total loss through physical severance of (applicable to loss of bodily function only) <ul style="list-style-type: none"> <li>• one entire thumb</li> <li>• one entire index finger</li> <li>• one entire big toe</li> </ul>	25% 10% 10%

Notwithstanding the above:

- ④ The total amount paid out to the employee for death and/or bodily loss is limited to the total Accident insurance.

The total Accident insurance maximum is equal to the smaller of 6 times annual salary of an employee or R2 800 000.

**Please note:** Any percentage paid out previously (as set out in the above table) will be taken into account.

- ④ The total amount payable in respect of an employee in terms of points (c), (d) and (e) of the table is, together with similar stipulations of policies under which the employee is insured with Sanlam, never more than 75% of the Accident insurance.



## Definition of Accident

**Accident** means that:

- ① the employee's cause of death or loss of bodily function was directly and exclusively related to an incident that happened unexpectedly and unintentionally, i.e. accidentally;
- ② the death and/or loss of bodily function was not because the employee exposed him/herself to danger, either negligently or wilfully, except in the interest of the law or to protect his/her or another person's life or property;
- ③ the injury that caused his/her death and/or loss of bodily function happened after the date on which he/she became entitled to a benefit under the policy/retirement fund with regard to the Accident insurance and it happened while the employee was insured; and
- ④ the death and/or loss of bodily function happened within the **12 months** following that particular injury/accident.

## General

The Accident insurance will not be paid:

- ① unless notice of the claim, or possible claim, is received on behalf of the employee, in the manner prescribed by Sanlam, at its head office within **12 months** of the date of the accident concerned; or
- ② if the death or loss of bodily function of the employee directly or indirectly arises from or is traceable to -
  - a. A deliberate unlawful act committed by the employee.  
This includes (but is not limited to):
    - The employee committing or attempting to commit the crime of -
      - murder
      - assault
      - housebreaking
      - theft
      - robbery
      - kidnapping
    - The employee committing a crime involving a sexual act.
  - b. An injury caused by the employee's own actions and that was done on purpose.
  - c. An injury caused by the employee's own actions while the employee is mentally disordered.
  - d. Deliberate failure by the employee to get the best medical assistance reasonably available.
  - e. An act by the employee while he/she is under the influence of alcoholic drink or drugs.
  - f. The driving of a mechanical vehicle by the employee while the alcohol content of his/her blood is more than the legal limit.
  - g. Taking of any medication by the employee that was not prescribed by a medical practitioner.
  - h. Poison, radioactivity or nuclear explosion.
  - i. Participation in gliding or parachuting.
  - j. Participation in speed tests or races in any mechanically driven vehicle.
  - k. Any natural disease of the body or of the mind in any manner or form.
  - l. Aviation, except -
    - if the employee is a passenger in an aircraft that may transport 20 or more passengers; or
    - if the employee is a passenger in a smaller aircraft (than the one mentioned above) of a registered company that is piloted by a qualified pilot.



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