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14 November 2023

Dear South African Canegrowers Benefit Scheme Policyholder
PER-E-MAIL & SMS Link

Good Afternoon

CONFIRMATION OF FEDGROUP AS SOUTH AFRICAN CANEGROWERS BENEFIT SCHEME UNDERWRITER

Further to our communication to you on 5 October 2023, we are pleased to inform you that together with, and mandated by, the South African Canegrowers Association, Fedgroup has been secured as the new underwriter for the SA Canegrowers Benefit Scheme (The Scheme) with effect from 8 November 2023.

The transition to Fedgroup will happen seamlessly for growers and members, and will provide savings, increased benefits, and enhanced administration. To achieve these objectives, apart from the replacement of Guardrisk with Fedgroup as the underwriter, the required service functions will be provided by existing providers, although they may act in new roles.

Fedgroup is an established insurer, having been in the long-term insurance business for over 30 years and has assisted us in providing increased benefits on The Scheme.

To expand the financial advice component of the service delivery, Fairbairn Consult (Pty) Ltd with FSP number 9328, has been appointed as the broker to the scheme. Donovan Walker, an experienced intermediary, already known to the membership, heading his company Zenzele Financial Services (Pty) Ltd (Zenzele), has become a representative on the Fairbairn Consult license, which will provide both continuity and more options for the delivery of advisory services. Mihr will second all its client-facing employees to Zenzele, which will ensure continuity for members.

The new structure will support The Scheme's transformational capacity-building objectives as our support staff, including SA Canegrower ABAs who work on The Scheme, could obtain additional professional qualifications in financial services.

Mihr will continue to support The Scheme with administrative, compliance services, credit control, and the information technology platform.

The Scheme will continue to be known as the SA Canegrowers Benefit Scheme, and the product offering will largely remain the same. Administration has been streamlined by eliminating sub-schemes with negligible product and condition variations between them, providing more options through the board. We have attached a comparison of the costs and coverage provided.

No new waiting periods will be applied to the transfer.

We have negotiated the following substantial enhancement to the policy terms:

- Rates will be reduced by a 5% discount for most benefits, except for the Salabedla benefit, which will drop by 3.7%. The new rates are attached.
- Across the board, a grocery benefit of R2,000 for adults and R1,000 for children has been added. This pays the claimants a Shoprite voucher in the event of the passing of either a member or dependent.
- Repatriation is now included in the discounted rates at no additional charge for all members and dependents where the distance from the place of death to the place of burial (within RSA Borders) exceeds 100 km. Previously, repatriation was charged at R7.50 per covered life per month.

The only reduction of benefit under the new underwriting arrangement is that no one life may be covered for more than R100 000. This limitation only affects a small number of members. We have identified them and will prioritize contact with each of them to restructure their cover.

In compliance with the Policy Holder Protection Rules, all employers and members whom we have contact details for, will be informed of the changes and their rights during this process through emails, SMSs, and site visits. New policy documents will be issued to all policyholders and new membership statements will be issued to each member.

Please note that all EFT-premium payments from 1 November 2023 must be paid into the FEDGROUP designated bank account. We have attached the requisite proof of bank account herewith. Pay@ payments will continue as before.

Please see the attached contact list if you wish to raise any query or concern before a meeting is scheduled by our team.

Kind Regards



Rosa Theron
Chief Executive

