

## **Administration fees**

Administration fees are charged by Administrators to cover the cost of administering the scheme. The administration fee is charged on a monthly basis and is deducted from employer contribution received and includes the following:

### **Administration fees**

These fees generally relate to the costs incurred in respect of governance of the scheme and include, where applicable:

- Trustee costs
- Principal Officer costs
- Fidelity guarantee insurance premiums
- Preparation of financial statements and financial reporting
- Accounting costs
- Auditor costs
- Administrator cost.

### **Statutory charges**

This includes other statutory charges, such as charges and levies imposed by the Financial Services Board (FSB levies, Adjudicator Levies) and other statutory levies which may be imposed.

## **Financial Advisor Fee/Commission**

Commission is payable to the appointed Financial Adviser at a level not exceeding that provided for in the regulations to the Long-term Insurance Act. This amount is recovered on an ongoing basis and calculated as % of the Annual Premium.

Commission payment scales are revised by regulators from time to time. When this occurs, revised sales related charges will be applied to the scheme as and when applicable

### **Legislated maximum Scales effective January 2018:**

|                 |       |
|-----------------|-------|
| First R200 000  | 7,50% |
| Next R100 000   | 5,00% |
| Next R300 000   | 3,00% |
| Next R1 400 000 | 2,00% |
| Above 2 000 000 | 1,00% |