NJMPF

Fund Insight

Your news update - September 2026

Understanding funeral benefit payouts

Effective 1 October 2026, the Sanlam Funeral Benefit payout will increase to R46,000 at R50 per month per member. This benefit is designed to provide peace of mind and financial support to members and their families in the unfortunate event of death.

Members are encouraged to review their funeral cover regularly and avoid over-insuring themselves or their dependants. There are maximum limits on the amount of funeral cover that may be paid per person. Having multiple funeral policies that exceed these limits may not result in the full amount being paid when a claim is submitted. Members should therefore understand the limits applicable to their policies and ensure their cover is appropriate for their needs.

Maximum benefit per policy

The Prudential Authority prescribes a maximum benefit of R100,000 per life insured per policy for funeral insurance, which escalates annually in line with the Consumer Price Index (CPI) published by Statistics South Africa.

This limit applies on a per-policy basis and is not aggregated with funeral policies held with other insurers. For example, a Sanlam Funeral Aid Policy will be considered separately from any funeral policy that the member may hold with another insurer. Sanlam will not take into account benefits payable under funeral policies issued by other insurers, nor will it aggregate benefits payable under funeral policies issued by other Sanlam business units, unless required by law or regulation.

Cover for children

There are legislated limits on funeral insurance benefits for children:

- **R50,000** for a child who is **6 years of age or older but under 14 years of age.**
- **R20,000** for a child is **under 6 years of age**, including a **stillborn child** that qualifies for cover under the policy.

Sanlam will aggregate all known funeral policies when assessing a claim on the life of a child, as legislation does not permit funeral policy benefits payable in respect of a child to exceed the prescribed regulatory maximum.

Please note: These maximums are set by law and apply across all insurers. Even if a member has more than one policy, insurers must apply these limits when a claim is processed.

New benefit structure

The Sanlam Funeral Aid Scheme benefit structure will be revised with effect from 1 October 2026, and will be structured as follows:

Benefit covers	Payout benefit
Main member	R46 000
Qualifying spouse	R46 000
Qualifying child aged 14 years and over	R46 000
Qualifying child aged 6 years and over but younger than age 14 years	R23 000
Qualifying child younger than age 6 years	R11 500
Still-born qualifying child	R11 500

Effective 1 October 2026, your Sanlam Funeral Benefit will increase to R46,000 per insured adult.