



FREQUENTLY ASKED QUESTIONS

WHO IS SFP?

SFP is a choice insurance brokerage founded in 2010 and is a wholly-owned subsidiary of the Sanlam Group. From its humble beginnings, it has become the largest choice insurance brokerage in South Africa, with a strong national footprint with more than 400 registered financial advisers. With its focus on holistic financial planning, SFP operates with three distinct brands SFP, SFP Wealth and SFP Short-term.

IS SFP TRULY INDEPENDENT?

Whilst we cannot utilize the term “independent” being a wholly-owned subsidiary of the Sanlam Group, we are truly a choice brokerage model. We hold contracts with more than 150 product providers, and our advisers may freely choose to place their business with a provider that caters best to their clients’ needs. We have a written mandate from the Sanlam Group expressing that all product providers compete on an equal footing and that there are no contractual obligations to support Sanlam.

WHY SHOULD I CONSIDER A CORPORATE BROKERAGE (SUCH AS SFP) AS OPPOSED TO BEING INDEPENDENT?

Due to the ever-changing landscape in the financial services industry and backed by the most recent NMG research, we believe that the transition from the independent to the brokerage model is well underway. The ever-increasing cost and complexity of regulatory change have placed an enormous burden on independents. With SFP’s competitive value proposition based on a combination of tangible and intangible benefits, we free up your time and ease your minds so that you can focus on your practice and clients’ needs.

WHY SFP OVER OTHER BROKERAGES?

Over and above all the tangible and intangible benefits of the SFP value proposition, we are extremely competitive with our financial model. Not only do we value agility over rigidity with our commission splits

dependent on practice size, but we also have one of the most competitive commission split offerings in the industry. Our advisers are supported by a dedicated management and support team per region to ensure that we aid in your practice growth and value.

WHY DOES SFP NOT CONDUCT TRADITIONAL MARKETING?

Our aim is to ensure our financial advisers receive the most value. Conventional marketing mediums such as radio, TV, and ads are great to have, but they become increasingly costly. Our strategy is to direct that value better to serve our advisers with a larger share of wallet while still providing alternative means of marketing to brand themselves. We have a solid digital marketing philosophy that communicates a strong brand while educating clients through newsletters and website content.

WHAT WOULD MY CASH FLOW LOOK LIKE?

At SFP, you can only earn a statutory commission (no bonuses or incentives like other tied agencies).

The following would reduce the amount:

1. SFP split as contractually agreed
2. A reserve account percentage of 10% up to a maximum of R100 000 (or reserve deduction waived if on-going revenue flows exceed R25 000 per month)
3. PAYE or Tax directive deduction
4. Other deductions
 - a. Compulsory Group Scheme premium deduction
 - b. Astute subscriptions

IS YOUR GROUP SCHEME COMPULSORY?

Yes

DOES THE SFP SPLIT SHARE IN MY LAPSES?

No

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