

Death and Disability Benefit  
Reassurance Policy  
MEU Retirement Fund



**DEATH AND DISABILITY BENEFIT REASSURANCE POLICY  
ISSUED TO  
MEU RETIREMENT FUND**

**Policy No : BJ7-RE1**

**Signature date : 25 August 2016**

This revised policy is effective from 1 December 2016. This revised policy replaces the policy issued to the Policyholder on 16 May 2007 and all endorsements thereto.

This policy is operated by Momentum Corporate & Public Sector, a division of MMI Group Limited. MMI Group Limited is an authorised Financial Services Provider.

Momentum undertakes on payment of the stipulated premiums to provide Benefits for the Members in accordance with the conditions of this policy.



**AUTHORISED SIGNATORY FOR  
MMI GROUP LIMITED**

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## 1. ABOUT THIS POLICY DOCUMENT

### 1.1 Definitions used in this policy

- 1.1.1 In this policy, certain words and expressions have specific meanings assigned to them and will have the same meaning throughout the policy.
- 1.1.2 Capital letters are used to show where a defined word or expression is used in the policy with the meaning listed below.
- 1.1.3 **Accident** means an event that leads to the involuntary bodily injury of a Member solely through accidental, violent, external, visible and tangible means.
- 1.1.4 **Automatic Acceptance Limit** means the amount specified as such by Momentum from time to time.
- 1.1.5 **Benefit** consists of the following:
- 1.1.5.1 **Death Benefit** which means, subject to the terms and conditions of this policy, an amount equal to the death benefit specified in the Schedule which is payable in terms of this policy on the Member's death;
  - 1.1.5.2 **Disability Benefit** which means, subject to the terms and conditions of this policy, an amount equal to the disability benefit specified in the Schedule that is payable in terms of this policy on the Member's disability.
- 1.1.6 **Commencement Date** means the date specified as such in the Schedule.
- 1.1.7 **Cover** means the cover effected by the Policyholder to secure the Benefits provided in terms of this policy.
- 1.1.8 **Date of Disablement** means the date determined by Momentum in terms of clause 4.3 (Setting the Date of Disablement).
- 1.1.9 **Disability** means Total and Permanent Disablement as defined, **Disablement** and **Disabled** being construed accordingly.
- 1.1.10 **Eligible Employee** means a full-time employee in Service who satisfies the entry qualifications as set out in the Schedule. An Eligible Employee may be a full-time working director. An employee's entry qualifications may be waived if the Policyholder and Momentum so agree in writing.
- 1.1.11 **Employer** means the party designated as such in the Schedule.

- 1.1.12 **Entry Date** means the Commencement Date for all Eligible Employees existing at the Commencement Date and means the first day of employment for new Eligible Employees entering into the employment of the Employer after the Commencement Date.
- 1.1.13 **Fund** means the MEU Retirement Fund.
- 1.1.14 **Medical Evidence Period** means the maximum period during which Accident Cover will be provided while medical evidence is being obtained, submitted and considered. The Medical Evidence Period will be 90 days for a Member who has previously been required to submit medical evidence in terms of clause 2.4.2, and 1 year for other Members. The Medical Evidence Period will start on the date Momentum receives notice that Cover is required in excess of the Automatic Acceptance Limit and any higher previously accepted or restricted Cover.
- 1.1.15 **Member** means an Eligible Employee who is covered under this policy.
- 1.1.16 **Member Category** means, if applicable, 1 of the categories specified in the Schedule into which Members are classified.
- 1.1.17 **Momentum** means MMI Group Limited (registration number 1904/002186/06), who is the insurer of this policy.
- 1.1.18 **Option Age** means the age specified as such in the Schedule.
- 1.1.19 **Option Date** means the last day of the month in which a Member attains the Option Age.
- 1.1.20 **Policyholder** means the party designated as such in the Schedule.
- 1.1.21 **Policy Year** means the period specified as such in the Schedule.
- 1.1.22 **Renewal Date** means the date specified as such in the Schedule.
- 1.1.23 **Risk Benefit Option A, B, C, D and E** means the risk benefit options available to a Member as described in the Schedule.
- 1.1.24 **Rules** means the registered rules of MEU Retirement Fund.
- 1.1.25 **Salary** means a Member's gross annual salary, excluding all bonuses, overtime and fringe benefits, as advised in writing to Momentum by the Policyholder and accepted by Momentum for the purposes of the policy. The salary of a Disabled Member will be his salary so advised to Momentum on or before the

Date of Disablement. Advice regarding changes in a Member's Salary for the purposes of this policy will take place in the manner provided for in the Schedule.

- 1.1.26 **Schedule** means the schedule attached to and forming part of this policy.
- 1.1.27 **Service** means uninterrupted, active, permanent employment with an Employer for not less than 20 hours per week, subject to the provisions of clause 2.3.
- 1.1.28 **Southern Africa** means the Republic of South Africa, Botswana, Lesotho, Mozambique, Namibia, Swaziland and Zimbabwe.
- 1.1.29 **Swiss Pooling** means the pooling arrangement of The Swiss Life Network in which the Employer participates if required in terms of the Schedule, subject to the provisions of clause 2.5.
- 1.1.30 **Termination Age** means the age specified as such in the Schedule.
- 1.1.31 **Termination Date** means the last day of the month in which a Member attains the Termination Age.
- 1.1.32 **Total and Permanent Disablement** means:
  - 1.1.32.1 the total, permanent and continuous inability, in the opinion of Momentum, of a Member due to illness or injury to engage for remuneration or profit in his own occupation or any other occupation to which he is suited or for which he is or could reasonably be expected to become qualified by virtue of his knowledge, training, education, ability and experience in the open labour market;
  - 1.1.32.2 the permanent impairment of a Member's mental or physical condition to such an extent that he is unable to attend to his normal bodily functions; or
  - 1.1.32.3 the permanent loss by a Member of the use of 2 limbs or the sight in both eyes or the use of 1 limb and the sight in 1 eye.
- 1.1.33 **Waiting Period** means the waiting period specified in the Schedule, commencing at the Date of Disablement.

## **1.2 Policy document and alterations**

- 1.2.1 This policy is the entire contract between Momentum and the Policyholder. Any changes to this policy will be in writing and will be signed by an authorised representative of Momentum.
- 1.2.2 This policy may be altered by Momentum on 1 month's written notice to the Policyholder.

## **1.3 Benefits not transferrable**

- 1.3.1 The Benefits under this policy cannot be transferred, ceded, pledged or assigned in any way.

## **1.4 Surrender value**

- 1.4.1 This policy does not participate in the profits of Momentum and it does not have any surrender value.

## **1.5 Termination of policy**

- 1.5.1 The Policyholder and Momentum may cancel this policy by giving the other party 1 calendar month's prior written notice.
- 1.5.2 The Policyholder may cancel the policy within 30 days of receipt of the policy or of the policy summary provided in terms of section 48 of the Long-term Insurance Act of 1998. Momentum will refund all premiums paid in respect of the transaction, adjusted at Momentum's discretion for any investment charges incurred, negative investment experience and reasonable, time-based fees for work performed. The Policyholder may not cancel the policy in terms of this clause if a Benefit has been paid or claimed or an insured event has already occurred.
- 1.5.3 This policy will terminate upon termination of the Policyholder.
- 1.5.4 When this policy terminates, there may be Members who are entitled to submit claims for a Disability Benefit on the basis that their entitlement to such claims arose prior to the date of termination. The Policyholder must provide Momentum with the following details of each of those Members within 1 month of the termination date of the policy:



- 1.5.4.1 the Member's name;
- 1.5.4.2 the date of the incident that gave rise to the claim for a Disability Benefit; and
- 1.5.4.3 the Member's occupation.

## **2. CONDITIONS FOR PROVISION OF COVER**

### **2.1 Eligibility for Membership**

- 2.1.1 All Eligible Employees must be insured as Members under this policy.
- 2.1.2 The Cover in respect of a Member will, subject to compliance with clause 2.3 and clause 2.4, commence on his Entry Date.
- 2.1.3 If the entry conditions are waived to allow an employee to become a Member, then that employee's Cover will only start once Momentum has agreed to this in writing.

### **2.2 Risk Benefit Options**

- 2.2.1 Existing Members of the Fund prior to 1 November 2005:

Existing Members will participate in Risk Benefit Option A.

- 2.2.2 Members joining the Fund on or after 1 November 2005:

Members joining the Fund on or after 1 November 2005 will elect a Risk Benefit Option of his choice. The Policyholder must inform Momentum, in writing, of the election within 1 month of the member's entry into the Fund.

Where a Member does not elect a Risk Benefit Option, he will automatically participate in Risk Benefit Option A until such time as the Member alters his Risk Benefit Option in terms of clause 2.2.3, subject to clause 2.2.4.

- 2.2.3 Subsequent changes in Risk Benefit Option:

A Member may change his Risk Benefit Option on the following events:

- 2.2.3.1 at the Renewal Date; or
- 2.2.3.2 a single Member marries; or
- 2.2.3.3 a married Member divorces or is widowed; or

2.2.3.4 a Member increases his dependants through the birth of a child or the like; or

2.2.3.5 a Member loses a dependant by way of death or a child reaching majority age,

subject to the approval of Momentum.

2.2.4 If a Member changes from 1 Risk Benefit Option to another, the Policyholder must inform Momentum thereof, in writing, within 1 month of the event that gives rise to the Member being able to effect a change in his Risk Benefit Option.

Medical evidence of the Member's state of health will be required. This will initially consist of a medical questionnaire to be completed by any Member who wants to change cover as described in this clause 2.2.4. Based on the information on the medical questionnaire and information gathered, Momentum will decide on further medical information required (if any) and the terms on which the benefits are provided.

The cost of the medical evidence required by Momentum will be for the Member's account.

Momentum shall, before accepting a Member for the increased portion of his life insurance cover, have the right to require that the Member be actively at work on the effective date of such increase. The provisions of clause 2.3 will apply mutatis mutandis with "Entry Date" being substituted with the effective date of the increase.

## **2.3 Actively at work**

2.3.1 On the first working day on which an Eligible Employee's Cover is due to start, the Eligible Employee must be actively at work. This means that the Eligible Employee must be:

2.3.1.1 at work;

2.3.1.2 attending to his normal duties; and

2.3.1.3 capable of attending to the duties for which he is employed.

2.3.2 If an Eligible Employee is not actively at work as set out above, his Cover will be restricted to Accident Cover only. (Accident Cover is explained in clause 2.7.)

- 2.3.3 If the Member's Cover is restricted to Accident Cover only, his full Cover will only start when:
- 2.3.3.1 the Member submits evidence of his good health and insurability satisfactory to Momentum; or
  - 2.3.3.2 the Member completes 8 weeks of Service without absence.
- 2.3.4 If a Member's Cover increases because of a change in the Benefit structure or an increase in his Salary, the restrictions and Accident Cover set out above will also apply from the date that his Cover is due to increase. The restrictions and Accident Cover will only apply to the amount of the increase, and not to the Member's existing Cover.
- 2.3.5 If the actively at work clause waiver is required in terms of the Schedule, the restrictions set out above will not apply to death or Disability Cover that is less than the cover that a Member enjoyed immediately prior to the Commencement Date under a previous group life and disability policy effected by the Employer for the benefit of employees or by a fund in which the Employer participated for the benefit of its members. Any Cover over this amount will be subject to the actively at work requirements.

## **2.4 Temporary absence**

- 2.4.1 Should a Member be temporarily absent from the Service of the Employer, the Member may, at Momentum's discretion, continue to be Covered at the level he enjoyed immediately before his absence, subject to the following conditions:
- 2.4.1.1 the Policyholder must notify Momentum of the absence of the Member from Service in writing;
  - 2.4.1.2 the Member must remain employed by the Employer; and
  - 2.4.1.3 premiums must continue to be paid based on the Member's previous Cover levels even if the Member is receiving reduced or no remuneration during his absence.
- 2.4.2 This continued Cover will be granted for a maximum period of:
- 2.4.2.1 6 months if the Member's absence is related to ill health or disability; or
  - 2.4.2.2 12 months if the Member's absence is for other reasons.

- 2.4.3 The Policyholder can ask Momentum to Cover a Member who is absent from Service for longer periods. If Momentum agrees to this, it will confirm its agreement and any additional conditions in writing to the Policyholder.
- 2.4.4 Absences from Service that are not separated by at least 6 consecutive months will be added together when calculating the maximum period of Cover allowed above.
- 2.4.5 A Member whose Cover has ceased because he exceeded the maximum period allowed for temporary absence will be treated as a new Member if he returns to Service. Cover will not automatically recommence.

## **2.5 Automatic Acceptance Limit**

- 2.5.1 Momentum will from time to time determine an Automatic Acceptance Limit for Cover granted under this policy. No evidence of health and insurability will be required in respect of Cover for an amount less than or equal to the Automatic Acceptance Limit.
- 2.5.2 A Member's Cover in excess of the Automatic Acceptance Limit will only be granted on acceptance by Momentum of evidence of the Member's good health and insurability, which will include disclosure of any hazardous activities that the Member participates in. If the evidence is not acceptable to Momentum, the excess Cover may be granted subject to special terms and conditions and/or extra premiums agreed to by Momentum and the Policyholder, or declined. The reasonable cost of providing the evidence of good health and insurability as envisaged in this clause will be borne by Momentum.

## **2.6 Swiss Pooling arrangement**

- 2.6.1 The Employer will, if required in terms of the Schedule, participate in Swiss Pooling. During the period in which the Employer participates in Swiss Pooling, the applicability of medical requirements and the Automatic Acceptance Limit in terms of this policy will be on a basis as determined by Momentum from time to time and advised in writing to the Employer.
- 2.6.2 Participation in Swiss Pooling will cease on the earlier of the following events:
  - 2.6.2.1 upon notification to Momentum by Swiss Life, for reasons that it will furnish, that the Employer's participation has ceased;
  - 2.6.2.2 upon termination of this policy by Momentum or the Policyholder.

## **2.7 Accident Cover**

- 2.7.1 Accident Cover will be provided by Momentum in the following circumstances:
  - 2.7.1.1 during a Member's Medical Evidence Period;
  - 2.7.1.2 where a Member's Cover is delayed because he has not met the Actively at Work requirements.
- 2.7.2 For Accident Cover provided during the Member's Medical Evidence Period:
  - 2.7.2.1 the amount of Accident Cover provided will be the Member's required Cover in excess of the Automatic Acceptance Limit;
  - 2.7.2.2 the Accident Cover will cease on the expiry of the Medical Evidence Period or once the Policyholder has been notified that the additional Cover required has been declined, accepted or re-negotiated, whichever happens first.
- 2.7.3 For Accident Cover provided because the Member has not met the Actively at Work requirements:
  - 2.7.3.1 the amount of Accident Cover provided will be the Member's full potential Cover or the increase in the Member's potential Cover, as the case may be;
  - 2.7.3.2 the Accident Cover will cease when the Member submits evidence of his good health and insurability satisfactory to Momentum or completes 8 weeks of Service without absence.
- 2.7.4 This Accident Cover will be limited to claims resulting from an Accident where the Member's date of death or Date of Disablement occurs within 180 days of the Accident.
- 2.7.5 The Accident Cover will be provided at the current premium rate applied to Cover granted under this policy.
- 2.7.6 In addition to the exclusions set out in clause 2.9, no Accident Cover will be payable in respect of claims arising wholly, or partly, directly or indirectly as a consequence of:
  - 2.7.6.1 suicide, attempted suicide or any self-inflicted injury, whether the Member is sane or insane, and whether by his own hand or not, or by the hands of justice;

- 2.7.6.2 excessive use of intoxicating liquor, wilful inhalation of gas or taking of poisons, drugs or narcotics (except under proper medical direction);
- 2.7.6.3 any violation of the criminal law by the Member, or any event occurring whilst the Member is in violation of the criminal law;
- 2.7.6.4 participation in any type of aviation or airborne pursuit anywhere in any capacity, except as a passenger travelling solely for the purpose of transport:
  - (a) in a registered passenger aircraft owned and operated by a licensed airline or air-transport company and flown by a pilot holding a commercial pilot's licence on a recognised route between licensed airfields, or
  - (b) in a military passenger aircraft from one airfield to another.

## **2.8 Special conditions for pilots and drivers**

- 2.8.1 Notwithstanding the definition of Total and Permanent Disablement, if a Member's employment is dependent on his being in possession of a valid pilot's licence, he will only qualify for a Disability Benefit if his disability renders him totally incapable of engaging in any occupation at all in the open labour market for remuneration or profit.
- 2.8.2 Notwithstanding the definition of Total and Permanent Disablement, where more than 15% of the Members are full-time drivers and their employment and remuneration substantially depend upon their possession of valid drivers' licences appropriate to their occupations, no disability claim will be recognised in respect of any such Member unless his disability renders him totally incapable of engaging in any occupation at all in the open labour market for remuneration or profit.

## **2.9 Exclusions**

- 2.9.1 No Benefit will be payable for a Member if the claim is in any direct or indirect way caused by, related to, or a result of:
  - 2.9.1.1 any nuclear reaction or nuclear radiation;
  - 2.9.1.2 active participation in war, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or

not), civil war, military uprising, military or usurped power, martial law, insurrection, rebellion or revolution;

2.9.1.3 active participation in any mutiny, riot or civil commotion that assumes the proportions of or amounts to a popular uprising;

2.9.1.4 active participation in any act of terrorism or action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism, even if there are other causes or events that contribute to the claim at any stage. In this policy terrorism means an act, the threat of an act, or any preparation for an act:

(a) that may or may not involve violence or the use of force by any person or group (whether they are acting alone or on behalf of or in connection with any organisation, regime or any constitutional or practicing government); and

(b) that is, or appears to be, intended to intimidate, harm or influence any government, the public, or a section of the public, or to disrupt any segment of the economy; and

(c) that from its nature or context is or appears to be done in connection with political, social, religious, ideological or similar causes or objectives.

## **2.10 Cessation of Cover**

2.10.1 A Member's Cover will cease on the earliest of the following:

2.10.1.1 his ceasing to qualify for the death and disability benefit in terms of the Rules in respect of which Cover is provided in terms of this policy;

2.10.1.2 the absence of the Member from Southern Africa for a period of 12 months (unless Momentum decides to extend this period at its sole discretion);

2.10.1.3 cessation of Service, unless the Member remains Covered under clause 2.4 or clause 2.11;

2.10.1.4 the Member reaching Termination Date, unless the Member is eligible for post-retirement Cover in terms of the Schedule;

2.10.1.5 cessation of payment of premiums, subject to clause 6.7;

2.10.1.6 termination of this policy by Momentum or the Policyholder.

2.10.2 Absences from Southern Africa that are separated by less than 6 consecutive weeks will be added together to determine whether or not the 12 month period in clause 2.10.1.2 has elapsed.

## **2.11 Cover continues for income disability benefit claimants**

2.11.1 If required in terms of the Schedule, where the Member is entitled to receive an income disability benefit from an income disability benefit scheme arranged by the Employer, the Member will be deemed to remain in Service and will remain Covered for all Benefits other than the Disability Benefit until his Termination Date, his 65<sup>th</sup> birthday or the cessation of his income disability benefit, whichever is the earlier.

2.11.2 For the purpose of determining the Benefit for a Member whose Cover continues during the receipt of an income disability benefit, his Salary will be deemed to increase at the same rate, and on the same date, as annual escalations (if any) applicable to such income disability benefit.

## **3. DEATH BENEFIT**

### **3.1 Payment of Death Benefit**

3.1.1 On production of a death certificate satisfactory to Momentum and such other information as Momentum may require in respect of a Member, Momentum will pay the following Death Benefit to the Policyholder, or such other person as the Policyholder may direct:

3.1.1.1 in respect of the death of a Member in Service prior to Termination Date, the pre-retirement Death Benefit, or

3.1.1.2 in respect of the death of a Member in Service on or after Termination Date, and in respect of his death after retirement, the post-retirement Death Benefit.

### **3.2 Reduction of Death Benefit**

3.2.1 The Death Benefit paid in respect of a Member under this policy will be reduced by the multiple of Salary applicable in respect of any Disability Benefit previously paid in respect of the Member under this policy.



- 3.2.2 Should the multiple of Disability Benefit have been reduced for any reason in terms of this policy, the actual amount paid in respect of the Disability Benefit will be expressed as a multiple of Salary for the purpose of clause 3.2.1.

#### **4. DISABILITY BENEFIT**

##### **4.1 Cover of a previously disabled Member**

- 4.1.1 A Member who has received a Disability Benefit is not entitled to any Disability Cover, unless Momentum decides otherwise in writing.

##### **4.2 Pre-existing conditions**

- 4.2.1 No Disability Benefit will be payable under this policy if, during the first 12 months following the new Member's Entry Date, in the opinion of Momentum, the Member is disabled as a result of any illness, injury or condition that the Member knew about, or could reasonably be expected to have known about or was diagnosed with was treated for, or displayed symptoms of within the 6 months prior to the Member's Entry Date.

- 4.2.2 Where a Member's Disability Benefit increases due to a change in the benefit structure, the amount of the Disability Benefit attributable to the increase in Cover will not be paid in respect of the Member, if:

4.2.2.1 he is disabled during the 12-month period immediately following the change in Benefit structure; and

4.2.2.2 his disability, in the opinion of Momentum, arises from any illness, injury or condition that the Member knew about or could reasonably be expected to have known about or was diagnosed with or was treated for or displayed symptoms of within the 6 months prior to the effective date of the change in Benefit structure.

- 4.2.3 Where a Member becomes entitled to a Disability Benefit as a result of a change in the definition of Total and Permanent Disablement, no Disability Benefit will be paid in respect of the Member, if:

4.2.3.1 he is disabled during the 12-month period immediately following the effective date of the change in definition; and

4.2.3.2 his disability, in the opinion of Momentum, arises from any illness, injury or condition that the Member knew about or could reasonably be expected to have known about or was diagnosed

with or was treated for or displayed symptoms of within the 6 months prior to the effective date of the change in definition.

- 4.2.4 If the pre-existing condition clause waiver is required in terms of the Schedule, then a Member who has a pre-existing condition, but who was covered immediately before the Commencement Date under a similar group disability benefit policy taken out by the Employer for the benefit of employees, will be Covered up to a maximum of the amount of the cover that was granted by the previous insurer to the Member without restrictions or loadings. The pre-existing condition exclusion set out in clause 4.2.1 will then not apply to the Member.

### **4.3 Setting the Date of Disablement**

- 4.3.1 Momentum will determine the date on which the Member was last capable of fulfilling his normal employment duties and this will be referred to as the Date of Disablement.
- 4.3.2 When determining the Date of Disablement, Momentum will take into account:
- 4.3.2.1 objective medical evidence;
  - 4.3.2.2 the definition of Disablement in this policy;
  - 4.3.2.3 the Member's work history; and
  - 4.3.2.4 the Member's normal employment duties.
- 4.3.3 If a Member's employment duties were changed to accommodate his disability and he has been capably performing these duties for 6 months or more, these will be regarded as his normal employment duties.

### **4.4 Payment of Benefits**

- 4.4.1 Upon the admission of a Total and Permanent Disablement claim Momentum will pay the Disability Benefit to the Policyholder, or as the Policyholder may direct, as a lump sum.
- 4.4.2 No Disability Benefit will be payable in respect of a Member under this policy if the Date of Disablement occurs before the Entry Date, after the Termination Date (or age 65 years, if earlier), or after the date of termination of the policy.

#### **4.5 Maximum Benefit**

4.5.1 The maximum Disability Benefit payable under this policy on Total and Permanent Disablement of a Member is the lesser of:

4.5.1.1 the Death Benefit;

4.5.1.2 the Disability Benefit; and

4.5.1.3 R4 000 000.

#### **4.6 Reduction of Benefits**

4.6.1 If Disability occurs less than 5 years before the Termination Date and the first of the month following the Member's 65<sup>th</sup> birthday, if earlier, a reduced Disability Benefit will be paid. The reduced Disability Benefit will be calculated as follows:

$$\frac{\text{Number of months remaining until the Termination Date}}{60} \times \text{Disability Benefit}$$

### **5. CONTINUATION OPTION**

#### **5.1 Availability**

5.1.1 If required in terms of the Schedule, a Member whose pre-retirement Cover ceases on or before the attainment of the Option Date for any reason whatsoever, will be granted the option to effect an individual policy with Momentum.

5.1.2 Momentum will offer the Member the option to effect the individual policy type from its current Myriad product range that, in the opinion of Momentum, is best suited to replace the Cover provided under this policy.

5.1.3 To effect the individual policy, the Member must do so in writing within 90 days of the Cover ceasing.

#### **5.2 Individual policy conditions**

5.2.1 No evidence of insurability will be required for the individual policy. A Member can however choose to provide a voluntary cotinine test to obtain non-smoker rates.

5.2.2 The maximum cover available under an individual policy will be the Cover granted free of restrictions or special terms under this policy.

- 5.2.3 Any Cover granted subject to special terms and restrictions under this policy may be granted by Momentum under the individual policy, but then all special terms and restrictions that apply to this policy will apply under the individual policy as well.
- 5.2.4 The individual policy issued by Momentum will be subject to the restrictions specified in this Continuation Option clause as well as any other terms and conditions that may be applied by Momentum to the type of cover provided under the individual policy. The individual policy will be subject to Momentum Myriad's terms, conditions, minimum premiums and benefit levels and might provide cover that is not identical to the existing group Cover.
- 5.2.5 If this option has been previously exercised by a Member, or if a similar option has been exercised by the Member under any policy issued by Momentum in connection with an arrangement of the Employer for the benefit of employees, and the individual policy effected in terms of such option is still in force, Momentum may at its discretion reduce the cover under the individual policy to be effected, by the amount of cover under the individual policy previously issued.

### **5.3 Availability on termination of this policy**

- 5.3.1 A Member who satisfies the conditions of clause 5.1 may effect an individual life policy on termination of this policy provided that his Cover is not being, or to be, continued under any new or revised arrangement of the Employer.
- 5.3.2 For such a Member, the provisions of clause 5.2 and clause 5.4 will also apply.
- 5.3.3 To effect the individual life policy, the Member must do so in writing within 90 days of termination of this policy.

### **5.4 Death or Disability during option period**

- 5.4.1 If the Member dies or becomes Disabled within 31 days of the Cover ceasing, but before beginning an individual life policy under this continuation option, Momentum will pay an amount equal to the maximum cover that the Member could have chosen without any restrictions or special terms under an individual life policy.
- 5.4.2 Any amount payable on death will be paid to the Member's nominated beneficiaries as set out in a written beneficiary nomination provided to Momentum by the Policyholder. If payment cannot be made to 1 of the nominated beneficiaries, that portion will be paid to the Member's estate. If no

acceptable nomination is received, the full amount will be paid to the Member's estate.

- 5.4.3 Any amount payable on Disability will be paid directly to the Member or to the Member's estate if the Member dies before payment is made.

## **6. ADMINISTRATION**

### **6.1 Provision of information**

- 6.1.1 The Policyholder must provide Momentum with all the Member information it requires on a monthly basis.
- 6.1.2 At each Renewal Date the Policyholder is required to provide Momentum full Membership details including identity numbers, salary details, categories, classifications and all other information requested by Momentum to determine Cover, Benefits and premiums.
- 6.1.3 In addition, the Policyholder must provide to Momentum any information requested by Momentum that it considers relevant to the determination of Cover, Benefits and premiums in terms of this policy.
- 6.1.4 In the event that any information requested by Momentum is not provided within 6 weeks of Momentum requesting it, and the information is material to Momentum's ability to perform its obligations in terms of the policy, Momentum will give the Policyholder 2 weeks' written notice of its intention to terminate the performance of services and any Cover provided under the policy. On the expiry of the 2-week notice period, the performance of services and the provision of Cover will cease unless Momentum has before then received the requested information or has agreed otherwise in writing.
- 6.1.5 Momentum will not be liable to any person in respect of any misrepresentations, errors or omissions contained in the information provided to Momentum by the Policyholder.
- 6.1.6 Momentum must have satisfactory proof of a Member's age before any Benefit is paid for that Member. If the date of birth previously notified to Momentum in respect of a Member proves to be incorrect, Momentum will, after consulting with the Policyholder, calculate the premiums that should have been paid and adjust the premiums retrospectively to the date on which the Member became entitled to Cover in terms of this policy or make such adjustment to the Cover as it considers appropriate.

- 6.1.7 Should any amount owed to Momentum as a result of such premium adjustment not be paid by the Policyholder to Momentum within 30 days of Momentum's written request to do so, Momentum will reduce the Cover as it considers appropriate by reference to the premiums actually received in respect of the Member.
- 6.1.8 Momentum will keep a register of Members in which it will record the information supplied by the Policyholder.
- 6.1.9 Momentum is entitled, at all reasonable times, to inspect and make copies of the payrolls and other records of the Employer.
- 6.1.10 Momentum has the right to call for an auditor's certificate at the expense of the Policyholder, to certify any information relating to a claim or the Cover provided under this policy.

## **6.2 Fraud and dishonesty**

- 6.2.1 Momentum will not be liable for any claim if the Policyholder, Member or Employer commit any act of dishonesty or fraud in relation to this policy.
- 6.2.2 Momentum can investigate any circumstances where it suspects dishonest or fraudulent behaviour. Such investigation may include, but will not be limited to, the use of photographs, video and other recordings or documents that may be used as evidence for the purposes of the investigation, subject to the rules governing the law of evidence.

## **6.3 Copy of Rules**

- 6.3.1 The Fund trustees must provide Momentum with an up to date copy of the Rules at the Commencement Date. A copy of any subsequent amendments to the Rules must be provided to Momentum within 2 months of the registration of the amendment.
- 6.3.2 Should there be a discrepancy between the Rules and the provisions of this policy, Momentum's liability will be restricted to the obligations undertaken in this policy only.

## **6.4 Cost of medical evidence**

- 6.4.1 The onus is on the Member to submit medical evidence in order to substantiate his entitlement to a Disability Benefit and the cost of providing such evidence must be met by the Policyholder. The cost of any additional assessments

requested by Momentum to establish entitlement to a Disability Benefit will be met by Momentum.

## **6.5 Submitting claims**

- 6.5.1 The Policyholder should notify Momentum as soon as possible of any potential claim or of any occurrence that could lead to a claim.
- 6.5.2 Formal written notification of a claim in respect of a Death Benefit, together with all documentation required by Momentum, must be lodged with Momentum within 6 months of the date of death, failing which, the claim will not be admitted.
- 6.5.3 Formal written notification of a Disability claim, including all claim documents and medical evidence, must be lodged with Momentum within 3 months immediately following the last day during which the Member was at work attending to all his normal duties, failing which, the claim will not be admitted.
- 6.5.4 The Policyholder or the Employer must, at its own cost, provide Momentum with all the initial information and assessments required by Momentum in order to adequately assess the claim, failing which the claim will not be admitted.
- 6.5.5 Should Momentum request any additional information or supporting documents over and above the standard, prescribed requirements, these must be provided to Momentum within 6 months of the Member's Date of Disablement or within 12 months of the Member's date of death.

## **6.6 Claim assessment**

- 6.6.1 Momentum will assess a claim within a reasonable time of receiving it, but has no obligation to admit or reject any claim for a Disability Benefit before the expiry of the Waiting Period.
- 6.6.2 On admission of the claim, and on the satisfaction of the provisions of this policy, Momentum will pay the Benefit to the Policyholder or such other person as the Policyholder may direct in accordance with the provisions of this policy.
- 6.6.3 No Disability Benefit will be paid nor will it accrue before the expiry of the Waiting Period, unless Momentum agrees otherwise in writing.
- 6.6.4 In order for a claim in respect of a Disability Benefit to be admitted, premiums in respect of a Member's Cover must be paid during the Waiting Period. If this policy terminates during a Member's Waiting Period, the premiums in respect of

his Cover for the balance of the Waiting Period must be paid in advance on the date of termination.

- 6.6.5 Momentum will be entitled to call for any medical or other evidence at any stage while a Member's claim is being considered, or at any relevant time thereafter. Any such evidence submitted must be as comprehensive as is required by Momentum and must be satisfactory to Momentum in all respects.
- 6.6.6 The Member must, at his own expense, undergo reasonable medical treatment by appropriate medical specialists if it could have the effect of alleviating or improving the impairment or disability that led to the claim. This could include taking medication and undergoing non invasive surgical procedures, but will exclude any treatment or procedure regarded as experimental or unproven, or that would entail an unreasonable danger or threat to the Member's life. If the Member does not comply with this requirement, Momentum may decline the Disability Benefit claim.
- 6.6.7 Where Momentum has agreed to extend the period of grace for the payment of premiums in terms of clause 6.7.4, no claim will be paid nor will it accrue before all outstanding premiums are received by Momentum.

## **6.7 Payment of premiums**

- 6.7.1 Premiums are payable monthly in arrears on the last day of the month.
- 6.7.2 At the end of each Policy Year Momentum will compare the premiums due for the Cover with the premiums paid during the Policy Year. Any amount under or overpaid will be paid by the Policyholder to Momentum or refunded by Momentum to the Policyholder as the case may be. The premiums due for the Cover will be determined in accordance with Momentum's standard census method, or on such other basis as agreed in writing by Momentum and the Policyholder.
- 6.7.3 A period of grace of 30 days is allowed for payment of the premiums.
- 6.7.4 If the full amount of premiums due is not received by Momentum within the period of grace, all Cover will cease from the last date in respect of which the full amount of premiums has been paid, unless it is agreed otherwise by Momentum in writing.
- 6.7.5 Momentum will be entitled to charge the Policyholder interest on any overdue premium at the most recent call interest rate charged by First National Bank for



the period from the expiry of the period of grace to the date of payment of the overdue premium.

## **6.8 Rate guarantee**

6.8.1 The premium rates used to calculate premiums are guaranteed for the duration of each Policy Year.

6.8.2 Momentum may however alter the premium rates at any time on 1 month's written notice to the Policyholder, in the event that:

6.8.2.1 there is a change in membership or categories of Members that in the opinion of Momentum affects the risk under this policy;

6.8.2.2 the business activities of the Employer change to such an extent that in the opinion of Momentum it affects the risk under this policy;

6.8.2.3 the benefit structure under this policy changes;

6.8.2.4 any statutory or regulatory body introduces any measures or changes that affect the risk under this policy; or

6.8.2.5 the information or data provided to Momentum for the purposes of calculating the premium rates is in any material respect incorrect, including but not limited to previous claims experience and Member information, which includes the age, sex and occupation of the Member.

## **6.9 Currency and law**

6.9.1 All amounts payable in terms of this policy, either to or by Momentum, are payable in the lawful currency of the Republic of South Africa at the registered office of Momentum. Any question of law arising under this policy will be decided according to the laws of the Republic of South Africa.

## **6.10 Address and communications**

6.10.1 Momentum and the Policyholder will choose a physical address for legal notices related to this policy. Their chosen addresses are set out in the Schedule.

6.10.2 Either party may change its address by giving written notice of the new physical address to the other party. Until receipt of such amended address, the last notified address will remain in force and of effect.

6.10.3 All communications in connection with this policy will be in writing.

**6.11 Decisions not a precedent**

6.11.1 If Momentum or any other party waives or relaxes any conditions or rights under this policy, this will not be seen as a precedent or an alteration of the policy terms in any way.

**6.12 Disputes**

6.12.1 Should a dispute arise out of the interpretation or implementation of this policy, it will be referred to either the Pension Funds Adjudicator or the Ombudsman for Long-Term Insurance for resolution, depending on who has jurisdiction over the dispute.

6.12.2 Nothing in this policy prevents any party to this agreement from applying for urgent or interdictory relief.

## SCHEDULE

This Schedule must be read in conjunction with, and forms an integral part of, the Death and Disability Benefit Reassurance Policy, Policy Number BJ7-GL1, issued to the Policyholder listed hereunder.

Actively at work waiver clause	:	Not required
Commencement Date	:	19 July 1996
Continuation option	:	Required
Cover to continue for a Member in receipt of an income disability benefit	:	Not required
Death Benefit (pre-retirement)	:	(i) Risk Benefit Option A: 3 times Salary (ii) Risk Benefit Option B: Nil (iii) Risk Benefit Option C: Nil (iv) Risk Benefit Option D: 1,5 times Salary (v) Risk Benefit Option E: 5 times Salary
Death Benefit (post-retirement)	:	Nil
Disability Benefit	:	(i) Risk Benefit Option A: 3 times Salary (ii) Risk Benefit Option B: Nil (iii) Risk Benefit Option C: Nil (iv) Risk Benefit Option D: 1,5 times Salary (v) Risk Benefit Option E: 5 times Salary
Employer	:	Local Authorities participating in the Fund
Entry qualifications	:	All Eligible Employees who have not attained the Termination Age and who are members of the Fund
Member Categories	:	The Members participating in either Risk Benefit Options A, B, C, D or E as advised by the Policyholder to Momentum in writing
Option Age	:	65 years

Physical address

Momentum	:	268 West Avenue, Centurion, 0157
Policyholder	:	219A Surrey Avenue, Ferndale, Randburg, 2194
Policyholder	:	MEU Retirement Fund
Policy Year	:	1 February to 31 January
Pre-existing condition clause waiver	:	Not required
Renewal Date	:	1 February
Salary advice	:	As and when Salary adjustments occur
Swiss Pooling	:	Not required
Termination Age in respect of:		
(a) Death Benefit	:	65 years
(b) Disability Benefit	:	65 years
Waiting Period	:	6 months