

Funeral Benefit Policy

MEU



FUNERAL BENEFIT POLICY

ISSUED TO

LOCAL AUTHORITIES PARTICIPATING IN THE FUND

Policy No : BJ7-FI1

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 30 March 2010 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 in respect of the Members in accordance with the conditions of this policy.



**AUTHORISED SIGNATORY FOR
MMI GROUP LIMITED**

CONTENTS

	Page
1. ABOUT THIS POLICY DOCUMENT	3
1.1 Definitions used in this policy	3
1.2 Policy document and alterations	5
1.3 Benefits not transferrable	5
1.4 Surrender value	6
1.5 Termination of policy	6
2. CONDITIONS FOR PROVISION OF COVER	6
2.1 Eligibility for Membership	6
2.2 Actively at work	6
2.3 Temporary absence	7
2.4 Exclusions	8
2.5 Cessation of Cover	9
2.6 Cover continues for income disability benefit claimants	9
3. DEATH BENEFIT	9
3.1 Payment of Death Benefit	9
4. PAID-UP BENEFIT	10
4.1 Paid-up Funeral Benefit on disablement	10
4.2 Paid-up Funeral Benefit on the death of a Member	11
5. ADMINISTRATION	11
5.1 Provision of information	11
5.2 Fraud and dishonesty	13
5.3 Submitting claims	13
5.4 Claim assessment	13
5.5 Payment of premiums	14
5.6 Rate guarantee	14
5.7 Currency and law	15
5.8 Address and communications	15
5.9 Decisions not a precedent	15
5.10 Disputes	15
SCHEDULE	16

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 **Benefit** consists of the **Death Benefit** which means an amount equal to the death benefit specified in the Schedule which is payable in terms of this policy.

1.1.4 **Child** means an unmarried person under the age of 21 who is:

1.1.4.1 a Member's natural child (born or Stillborn before or after the Member's death); or

1.1.4.2 a Member's legally adopted child;

1.1.4.3 the natural or legally adopted child of the Member's Spouse (born or legally adopted before the Member's death); or

1.1.4.4 the grandchild of the Member (grandchild meaning the natural or legally adopted child of the Member's or his Spouse's natural or legally adopted child), provided that the grandchild is either financially dependent on the Member or both of the grandchild's parents are deceased.

A married child or a child who has attained the age of 21 years may continue to qualify as a child if he suffers from a defect of mind or body and is financially dependent on the Member. A married child or a child who has attained the age of 21 years may continue to qualify as a child up to the day on which he turns 26 if he continues in full time education. Such continued qualification will be at the discretion of the Policyholder in agreement with Momentum, and for such period as the Policyholder may determine in agreement with Momentum. Once a child has ceased to qualify as a Child, he cannot qualify as a Child again for the purposes of this policy at any future date.

1.1.5 **Commencement Date** means the date specified as such in the Schedule.

1.1.6 **Cover** means the cover effected by the Policyholder to secure the Death Benefits provided in terms of this policy.

- 1.1.7 **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.
- 1.1.8 **Employer** means the party designated as such in the Schedule.
- 1.1.9 **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.
- 1.1.10 **Fund** means the MEU Retirement Fund.
- 1.1.11 **Local Authority** means as defined in the Fund rules, where the context so requires, "Local Authority" shall mean, for any Member, the Local Authority employing the Member.
- 1.1.12 **Member** means an Eligible Employee who is covered under this policy.
- 1.1.13 **Member Category** means, if applicable, 1 of the categories specified in the Schedule into which Members are classified.
- 1.1.14 **Momentum** means MMI Group Limited (registration number 1904/002186/06), who is the insurer of this policy.
- 1.1.15 **Participant** means a Member's Spouse, Children and the Member.
- 1.1.16 **Policyholder** means the party designated as such in the Schedule.
- 1.1.17 **Policy Year** means the period specified as such in the Schedule.
- 1.1.18 **Renewal Date** means the date specified as such in the Schedule.
- 1.1.19 **Schedule** means the schedule attached to and forming part of this policy.
- 1.1.20 **Service** means uninterrupted, active, permanent employment with any Employer for not less than 20 hours per week, subject to the provisions of clause 2.3.
- 1.1.21 **Southern Africa** means the Republic of South Africa, Botswana, Lesotho, Mozambique, Namibia, Swaziland and Zimbabwe.

- 1.1.22 **Spouse** means a Member's lawful partner in any of the following types of partnerships:
- 1.1.22.1 a marriage or civil partnership as described in the Civil Union Act;
 - 1.1.22.2 a customary marriage as described in the Recognition of Customary Marriages Act;
 - 1.1.22.3 a union recognised as a marriage by an Asiatic religion of the Member;
 - 1.1.22.4 a permanent life partnership (provided that Momentum receives satisfactory proof that a permanent life partnership exists as well as proof that the partners in the relationship have been living together for at least 6 months).
- 1.1.23 **Stillborn Child** means a child whose death occurs after the 26th week of pregnancy but before a live delivery.
- 1.1.24 **Termination Age** means the age specified as such in the Schedule.
- 1.1.25 **Termination Date** means the last day of the month in which a Member attains the Termination Age.
- 1.1.26 **Total and Permanent Disablement** means 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 any occupation at all in the open labour market.

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.

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 2.2 and clause 2.3, 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 Actively at work

- 2.2.1 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:
- 2.2.1.1 at work;
 - 2.2.1.2 attending to his normal duties; and
 - 2.2.1.3 capable of attending to the duties for which he is employed.

- 2.2.2 If an Eligible Employee is not actively at work as set out above, his Cover will only start when he returns to work, he is attending to his normal duties and is capable of attending to the duties for which he is employed.
- 2.2.3 If a Member's Cover increases because of a change in the Benefit structure, the restrictions set out above will also apply on the date that his Cover is due to increase. The restrictions will only apply to the amount of the increase, and not to the Member's existing Cover.
- 2.2.4 If the actively at work clause waiver is required in terms of the Schedule, the restrictions specified above will not apply to Cover that is less than the cover that a Member enjoyed immediately prior to the Commencement Date under a previous group funeral benefit policy effected by the Employer for the benefit of employees. Any Cover over this amount will be subject to the actively at work requirements.

2.3 Temporary absence

- 2.3.1 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:
 - 2.3.1.1 the Policyholder must notify Momentum of the absence of the Member from Service in writing;
 - 2.3.1.2 the Member must remain employed by the Employer; and
 - 2.3.1.3 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.
- 2.3.2 This continued Cover will be granted for a maximum period of:
 - 2.3.2.1 6 months if the Member's absence is related to ill health or disability; or
 - 2.3.2.2 12 months if the Member's absence is for other reasons.
- 2.3.3 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.

- 2.3.4 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.
- 2.3.5 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.

2.4 Exclusions

- 2.4.1 No Benefit will be payable for any claim if it is in any direct or indirect way caused by, related to, or a result of:
- 2.4.1.1 any nuclear reaction or nuclear radiation;
 - 2.4.1.2 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;
 - 2.4.1.3 active participation in any mutiny, riot or civil commotion that assumes the proportions of or amounts to a popular uprising;
 - 2.4.1.4 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) which 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.

2.5 Cessation of Cover

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

2.5.1.1 the Member ceasing to be a member of the Fund;

2.5.1.2 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);

2.5.1.3 cessation of Service unless the Member remains Covered under clause 2.6;

2.5.1.4 the Member reaching Termination Date;

2.5.1.5 the Member's death;

2.5.1.6 cessation of payment of premiums, subject to clause 5.5;

2.5.1.7 termination of this policy by Momentum or the Policyholder.

2.5.2 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 2.5.1.2 has elapsed.

2.6 Cover continues for income disability benefit claimants

2.6.1 If requested 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, but is not Totally and Permanently Disabled, the Member will be deemed to remain in Service and will remain Covered for all Benefits until his Termination Date, his 65th birthday or the cessation of his income disability benefit, whichever is the earlier.

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, Momentum will pay the Death Benefit to the Policyholder, or such other person as the Policyholder may direct.

- 3.1.2 The Death Benefit specified in the Schedule in respect of the relevant category will be payable upon the death of:
 - 3.1.2.1 a Spouse;
 - 3.1.2.2 a Child;
 - 3.1.2.3 a Stillborn Child;
 - 3.1.2.4 the Member.
- 3.1.3 For each Member, there is no limit on the number of claims payable for Spouses.
- 3.1.4 For each Member, there is no limit on the number of claims payable for Children.

4. PAID-UP BENEFIT

4.1 Paid-up Funeral Benefit on disablement

- 4.1.1 If required in terms of the Schedule, a Member who is Totally and Permanently Disabled will be entitled to apply for a paid-up Funeral Benefit.
- 4.1.2 However, a Member will not be eligible to apply for a paid-up Funeral Benefit if:
 - 4.1.2.1 he was already Totally and Permanently Disabled before his Cover started;
 - 4.1.2.2 he became Totally and Permanently Disabled after his Service had ceased, after his Termination Date or after his 65th birthday; or
 - 4.1.2.3 his Cover is being continued under clause 2.6 because he is receiving an income disability benefit.
- 4.1.3 If Momentum receives the Member's complete written application for a paid-up Benefit within 6 months of his becoming Totally and Permanently Disabled, Momentum will issue a fully paid-up individual funeral policy to the Member.
- 4.1.4 The individual policy will be issued by Momentum and no premiums will be payable for that policy.
- 4.1.5 The paid-up individual funeral policy will provide the Funeral Benefits as provided by this policy, but the commencement date of the individual funeral

policy will be deferred for a period of 6 months from the date a Member is Totally and Permanently Disabled.

- 4.1.6 The Participants will remain covered under the individual policy until the date on which the Member would have reached his Termination Date. If the Participant is a Child, the individual policy will also cease when the Participant is no longer a Child as defined in this policy.
- 4.1.7 If a Member dies during this deferment period specified, the Death Benefit applicable to him will be payable.

4.2 Paid-up Funeral Benefit on the death of a Member

- 4.2.1 If required in terms of the Schedule, on the death of a Member before his Termination Date, each of the Member's remaining Participants will be entitled to apply for a paid-up Funeral Benefit.
- 4.2.2 If Momentum receives a complete written application for a paid-up Funeral Benefit within 6 months of the Member's death, Momentum will issue fully paid-up individual funeral policies to the Participants.
- 4.2.3 The individual policy will be issued by Momentum for the same Funeral Benefit amount provided under this policy and no premiums will be payable for that policy.
- 4.2.4 The Participants will remain covered under the individual policy until the date on which the deceased Member would have reached his Termination Date. If the Participant is a Child, the individual policy will also cease when the Participant is no longer a Child as defined in this policy.

5. ADMINISTRATION

5.1 Provision of information

- 5.1.1 The Policyholder must provide Momentum with all the Member information it requires on a monthly basis.
- 5.1.2 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.

- 5.1.3 In addition, the Policyholder must provide to Momentum any information requested by Momentum which it considers relevant to the determination of Cover, Benefits and premiums in terms of this policy.
- 5.1.4 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.
- 5.1.5 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.
- 5.1.6 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.
- 5.1.7 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.
- 5.1.8 Momentum will keep a register of Members in which it will record the information supplied by the Policyholder.
- 5.1.9 Momentum is entitled, at all reasonable times, to enable it to fulfil its obligations in terms of the policy, to inspect and make copies of the payrolls and other records of the Employer.
- 5.1.10 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 or Benefits provided under this policy.

5.2 Fraud and dishonesty

- 5.2.1 Momentum will not be liable for any claim if the Policyholder, Member, Participant or Employer commit any act of dishonesty or fraud in relation to this policy.
- 5.2.2 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.

5.3 Submitting claims

- 5.3.1 The Policyholder should notify Momentum as soon as possible of any potential claim or of any occurrence that could lead to a claim.
- 5.3.2 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.
- 5.3.3 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.
- 5.3.4 Should Momentum request any additional information or supporting documents over and above the standard, prescribed requirements, these must be provided to Momentum within 12 months of the Member's date of death.

5.4 Claim assessment

- 5.4.1 Momentum will assess a claim within a reasonable time of receiving it.
- 5.4.2 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.
- 5.4.3 All paid-up policies and other individual policies will be issued by Momentum.
- 5.4.4 Where Momentum has agreed to extend the period of grace for the payment of premiums in terms of clause 5.5.4, no claim will be paid nor will it accrue before all outstanding premiums are received by Momentum.

5.5 Payment of premiums

- 5.5.1 Premiums are payable monthly in arrears on the last day of the month to Momentum.
- 5.5.2 At the end of each Policy Year Momentum will compare the premiums due 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 will be determined in accordance with Momentum's standard census method, or an such other basis as agreed in writing by Momentum and the Policyholder.
- 5.5.3 A period of grace of 30 days is allowed for payment of the premiums.
- 5.5.4 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.
- 5.5.5 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.

5.6 Rate guarantee

- 5.6.1 The premium rates used to calculate premiums are guaranteed for the duration of each Policy Year.
- 5.6.2 Momentum may however alter the premium rates at any time on 1 month's written notice to the Policyholder, in the event that:
 - 5.6.2.1 there is a change in membership or categories of Members that in the opinion of Momentum affects the risk under this policy;
 - 5.6.2.2 the business activities of the Employer change to such an extent that in the opinion of Momentum it affects the risk under this policy;
 - 5.6.2.3 the benefit structure under this policy changes;
 - 5.6.2.4 any statutory or regulatory body introduces any measures or changes that affect the risk under this policy; or

5.6.2.5 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.

5.7 Currency and law

5.7.1 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.

5.8 Address and communications

5.8.1 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.

5.8.2 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.

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

5.9 Decisions not a precedent

5.9.1 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.

5.10 Disputes

5.10.1 Should a dispute arise out of the interpretation or implementation of this policy, such dispute will be referred to the Ombudsman for Long-Term Insurance for resolution.

5.10.2 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 Funeral Benefit Policy, Policy Number BJ7-FI1, issued to the Policyholder listed hereunder.

Actively at work waiver clause : Not required

Commencement Date : 1 April 2006

Cover to continue for a Member in receipt of an income disability benefit : Not required

Death Benefit : An amount determined in accordance with the table below:

Category	Funeral Benefit
Member	R20 000
Spouse	R20 000
Children aged 14 years and over	R20 000
Children aged 6 years and over but under age 14	R10 000
Children aged 1 year and over but under age 6	R5 000
Children under age 1 year	R5 000
Stillborn Children	R5 000

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 : Not applicable

Paid-up Benefit on death of Member : Required

Paid-up Benefit on disablement of Member : Required

Physical address

Momentum : 268 West Avenue, Centurion, 0157

Policyholder : 4 Homestead Avenue, Unit No. 2, Bryanston, 2191

Policyholder : Local Authorities participating in the Fund
Policy Year : 1 February to 31 January
Renewal Date : 1 February
Termination Age : 65 years

Funeral Benefit Policy issued to Local Authorities participating in the Fund

Policy No: BJ7-FI1

Endorsement No. 1

Effective Date: 1 December 2016

The policy is endorsed as follows:

The Schedule is replaced by the following:

SCHEDULE

This Schedule must be read in conjunction with, and forms an integral part of, the Funeral Benefit Policy, Policy Number BJ7-FI1, issued to the Policyholder listed hereunder.

Actively at work waiver clause	:	Not required
Commencement Date	:	1 April 2006
Cover to continue for a Member in receipt of an income disability benefit	:	Not required
Death Benefit	:	An amount determined in accordance with the table below:

Category	Funeral Benefit
Member	R30 000
Spouse	R30 000
Children aged 14 years and over	R30 000
Children aged 6 years and over but under age 14	R15 000
Children aged 1 year and over but under age 6	R7 500
Children under age 1 year	R7 500
Stillborn Children	R7 500

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 : Not applicable

Paid-up Benefit on death of Member : Required

Paid-up Benefit on disablement of Member : Required

Physical address

Momentum : 268 West Avenue, Centurion, 0157

Policyholder : 4 Homestead Avenue, Unit No. 2, Bryanston, 2191

Policyholder : Local Authorities participating in the Fund

Policy Year : 1 February to 31 January

Renewal Date : 1 February

Termination Age : 65 years



**AUTHORISED SIGNATORY FOR
MMI GROUP LIMITED**

29 May 2018

DATE