

PLEASE READ CAREFULLY
IMPORTANT NOTICE

SARPBAC RETIREMENT FUND

NEW DISABILITY AND ENHANCED FUNERAL BENEFITS FROM 1 SEPTEMBER 2019

Dear Member,

The Bargaining Council is pleased to announce that after undertaking a risk benefit re-broke, new disability benefits, at a cost savings to members, are going to come into effect from 1 September 2019. The Bargaining Council were able to increase the funeral benefits to R35 000 at the same premium of R18.00 with the savings from the disability benefits.

Type of Disability Benefit	Description
Temporary Disability Benefit (TDB) provides:	<ul style="list-style-type: none"> • Contribution to provident fund • 75% of salary up to maximum of R220 000 • Contribution waiver • Survivor benefit: an amount equal to 2 months' salary
Duration of TDB:	<ul style="list-style-type: none"> • Maximum payment period expires • No longer disabled • Member dies • Reaches termination age • Absent from Southern Africa for more than 12 consecutive months

NOTE: The member, once assessed, will either be admitted for the Temporary Disability Benefit (TDB) or the Lump Sum Disability Benefit (LSDB). The member will receive the TDB benefit for 12 months and remain a member of the Fund during this period.



Type of Disability Benefit	Description
Lump Sum Disability Benefit (LSDB) provides:	<ul style="list-style-type: none"> • 3 times annual salary • Waiting period 12 months • Waiver of the waiting period • Taper option (5 years) • Acceleration of death benefit • Pre-existing conditions
LSDB cover ceases when:	<ul style="list-style-type: none"> • Member receives a terminal illness benefit • Exceeds territorial limits • No longer a member of the Fund • Cessation of service, except where cover continues for temporary • Member reaches termination age • Premiums stop • Termination of policy

NOTE: The member, once assessed and admitted as a permanent disability claimant will immediately be eligible for the Lump Sum Disability Benefit without receiving the Temporary Disability Benefit first. Once a member receives the LSDB, they cease to be a member of the SARPAC Retirement Fund.

Type of Benefit	Description
Chronic Illness (CI) Benefit provides:	<ul style="list-style-type: none"> • Essential conditions only <ul style="list-style-type: none"> • Cancer • Stroke • Heart Attack • Coronary artery by-pass graft surgery • Heart valve surgery



	<ul style="list-style-type: none"> • Aorta graft surgery • Angioplasty • Heart transplant
Total benefit	<ul style="list-style-type: none"> • Fixed amount • 2 x the monthly temporary income disability benefit • Member dies • Reaches termination age • Absent from Southern Africa for more than 12 consecutive months
Maximum benefit	R100 000
Waiver of survival period	Included
Survival period	The payment of the benefit will be subject to the member surviving for 28 days after date of occurrence of the critical illness, unless the survival period has been waived.
Maximum cover age	65 years
Eligibility	<ul style="list-style-type: none"> • All employees initially eligible and all new employees who are eligible must join the scheme. • The maximum age at entry will be 60.
Severity levels and maximum	<ul style="list-style-type: none"> • The percentage payable will depend on the severity level of the condition and will range from 10% to 100% of the total benefit. The percentage payable for each level of severity of each condition is in Appendix • The percentage payable will also be applied to the rand maximum benefit to determine the maximum rand amount payable. An exception is angioplasty claims where the maximum benefit is R20 000 per claim.
Cover of a previous claimant	<ul style="list-style-type: none"> • Members who receive benefits will remain covered for unrelated causes as well as for the remainder of the full benefit if only a percentage of the total benefit was paid. For example, a member who claims a 50% benefit will be eligible for a top-up of the remaining 50% if they later meet the medical criteria for the full 100% benefit. • We will also allow up to two angioplasty claims per member,



	<p>even if the claims are related.</p> <ul style="list-style-type: none"> • There is no limit on the number of claims that could be paid to a member for unrelated conditions.
Pre-existing conditions	<ul style="list-style-type: none"> • If any contingent event occurs within 24 months of the member's entry, arising directly or indirectly from a condition for which the member had been treated during the 12 months prior to entry, or of which they were aware or displayed symptoms of at date of entry into the scheme, no CI benefit will be paid. • If member was covered under a similar group policy with no restrictions or loadings just before joining this Momentum scheme, the 24 month per-existing condition exclusion period will be reduced by the number of months the member was covered by their previous insurer. This includes members at the commencement date of the policy and new employers joining after that. • This applies to the rand amount of cover the member had with the previous insurer. Any cover over that will be still be subject to the pre-existing condition exclusion. • This also applies to increases in cover brought about by increases in salary or benefit improvements.
CI cover ceases when:	<ul style="list-style-type: none"> • the member exceeds the territorial limits • the member is no longer a member of the fund, where there is a requirement; • cessation of service, except where cover continues for a disabled member or for temporary absence; • the member receives an advanced protection benefit, if applicable; • the member reaches termination age; • the member dies; • premiums stop; or • the policy is terminated.

NOTE: Only Members of the Sarpbac Retirement Fund are covered for the Chronic Illness benefit.



FUNERAL BENEFIT STRUCTURE: R35 000 increased from 1 September 2018

Description	
Premium rate per member per month	R18.00
Benefit payable on death of:	
Member	R35 000
Spouse	R35 000
Children aged 14 to 21 years	R17 500
Children aged 6 to 13 years	R8 750
Children aged 0 to 5 years	R8 750
Stillborn to 11 months	R8 750
Cover to continue on disability	No
* Family Assistance Benefit	Yes
Cover Cease Age	65 years

* Family Assistance Benefit offers bereaved families and next of kin the following services (refer to pamphlet on Sarpbac Retirement Fund website or speak to your foreman for more information):

- Repatriation of mortal remains
- Funeral assistance services
- Legal assistance
- Trauma, assault and HIV protection
- Emergency Medical Services
- Bereavement (Grief) counselling
- Assistance with claims

All services for the funeral assistance benefits are provided through the Momentum Employee Benefits Call Centre. 24 hours, 7 days a week, 365 days a year. Call Centre number: 0861666111

Yours sincerely

GARY WILSON

General Secretary

South African Road Passenger Bargaining Council