

Employee Protector

Purpose

Employee Protector is a group funeral assurance umbrella designed for small groups of employees.

Membership is compulsory for all full-time employees under normal retirement age. Participating employers may nominate a retirement age either 60 or 65 that will apply to all employees.

A member's Dependants are defined as his/her spouse(s), minor unmarried children (including legally adopted children) under age 21 years. The age limit of 21 shall however be extended to age 25 in respect of a child who is a full-time student. No age limit will apply to a child who is incapacitated from maintaining himself/herself by mental or physical infirmity, provided such child is wholly dependant on the member for support and maintenance.

Qualification Criteria

Between 40 and 300 employees are required per Employer.

Participation is restricted to employers who are not involved in high risk activities, e.g. mining, security, etc.

Product Features

Employers may choose from various plans within the Employee Protector product. These are:

- Basic family funeral cover (Plan F1)
- Family funeral cover with Temporary Paid-up Benefits on the death of an employee (Plan F2)
- Family funeral cover with Permanent Paid-up Benefits on the death, retirement or disablement of the employee (Plan F4)

A single lump sum death benefit amount per main member may be chosen by the Employer (which will be applicable for all employees), in accordance with one of the following options:

Member:	Any rand amount from R3 000 to R10 000; increases in steps of R1 000.
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Cover for the family will then be equal to the following:

Spouse	Same amount chosen as for the member.
Children:	age 14 -21 Same amount chosen as for the member
	6 -13 50% of member's benefit
	0 – 5 25% of member's benefit

Definition of Paid-up Benefits

A paid-up policy is issued as an individual policy. This means that if the scheme terminates, individual members with paid-up policies will continue to enjoy paid-up cover.

Permanent paid-up policies cover the surviving spouse for the rest of his/her life and covers children until they are no longer defined as dependant children, without any further premium payments. Permanent paid-up policies also participate in the profits of Metropolitan. Bonuses will be paid from time to time, which help protect these benefits from the effect of inflation.

Temporary paid-up policies cover the surviving spouse until the earlier of the death of the spouse or the date that the member would have attained his/her Normal Retirement Age, and covers children until the earliest of the death of the child, the date that the child is no longer defined as a dependant child, or the date that the member would have attained his/her Normal Retirement Age. No further premiums are payable once a Temporary paid-up policy is issued. Temporary paid-up policies do not participate in profits.

Marketing Procedure

Metropolitan will only accept business originating from an accredited broker and written via this broker through one of our Business Developers (i.e. marketers).

The accreditation process will be handled by the EB: Legal and Tax department and will involve the signing of the appropriate contracts. The accreditation process may involve successfully completing a product examination.

Together with the appropriate application form, Metropolitan requires a certificate or official letterhead providing the business registration number, a copy of the FAIS license and Vat registration number, if applicable. The application form will contain a declaration to be signed by the broker who verifies the clients' nature of business, location and existence.

Final acceptance of any new Employer is subject to the approval of Metropolitan Employee Benefits.

Specifics

Basic family funeral cover (Plan F1)	On the death of a member, spouse or child before the member's normal retirement age, a cash benefit becomes payable.												
Family funeral cover with Temporary Paid-up Benefits on the death of an employee (Plan F2)	<p>On the death of a member, spouse or child before the member's normal retirement age, a cash benefit becomes payable.</p> <p>On the death of a member the surviving family will be entitled to, in addition to the death benefit, a temporary fully paid-up funeral policy covering their lives for the chosen benefits. This means that no further premiums are due, and cover continues up to the day on which the member would have retired.</p>												
Disability benefit	If a member becomes totally and permanently disabled before reaching retirement age and is therefore unable to follow any occupation, the member and his/her family will be entitled to a temporary fully paid-up policy. This does not apply to a member with less than one year's membership, unless disability results from an accident.												
Family funeral cover with Permanent Paid-up Benefits on the death, retirement or disablement of the employee (Plan F4)	<p>On the death of a member, spouse or child before the member's normal retirement age, a cash benefit becomes payable.</p> <p>On the death of a member, the surviving family will be entitled to, in addition to the cash benefit, a permanent paid-up policy covering their lives for the chosen benefits. This means that no further premiums are payable and cover continues for the rest of their lives.</p>												
Retirement benefit	<p>On reaching retirement age, a member who has completed at least five year's membership, and his /her immediate family, will be entitled to a permanent paid-up funeral policy providing benefits as set out in Table below. The percentage of funeral cover available in accordance with the number of years of premiums paid is outlined.</p> <table border="1" data-bbox="584 880 1497 1070"> <thead> <tr> <th colspan="4" data-bbox="584 880 1497 954">Percentage of funeral cover available in accordance with the number of years of consecutive premium payments</th> </tr> <tr> <th data-bbox="584 954 798 1025">9 years</th> <th data-bbox="798 954 1043 1025">8 years</th> <th data-bbox="1043 954 1257 1025">7 years</th> <th data-bbox="1257 954 1497 1025">6 years</th> </tr> </thead> <tbody> <tr> <td data-bbox="584 1025 798 1070">90%</td> <td data-bbox="798 1025 1043 1070">80%</td> <td data-bbox="1043 1025 1257 1070">70%</td> <td data-bbox="1257 1025 1497 1070">60%</td> </tr> </tbody> </table>	Percentage of funeral cover available in accordance with the number of years of consecutive premium payments				9 years	8 years	7 years	6 years	90%	80%	70%	60%
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9 years	8 years	7 years	6 years										
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Accident benefit	If a family member aged 14 years or older dies as a result of an accident, the funeral benefit will be doubled.												
Disability benefit	<p>If a member becomes totally and permanently disabled and is therefore unable to follow any occupation before reaching retirement age, the member and his/her family will be entitled to a permanent fully paid-up funeral policy.</p> <p>This does not apply to a member with less than one year's membership, unless disability results from an accident.</p>												
	Premiums are payable in accordance with the amount of cover selected, the type of funeral plan and based on the risk class and region of the participating employer. (See annexure)												

Conditions for payment of benefit	
Proof of Age	Proof of the age of a member to the satisfaction of metropolitan shall be required before metropolitan pays any benefit in terms of this policy in respect of the member. Should the age notified to metropolitan in respect of a member prove to be incorrect, metropolitan shall not be liable to pay any greater benefit under this policy than would have been secured by the premiums paid in respect of the member had his/her age been correctly stated at the outset. Should the age notified to Metropolitan in respect of a member prove to be greater than his/her normal retirement age, metropolitan shall not be liable to pay any benefit in respect of the member and all premiums received by metropolitan in respect of the member subsequent to his/her normal retirement age shall be refunded.
Premium Conditions	
When are premiums payable	Premiums are payable monthly in advance with 30 days grace.
Broker commission	If a Broker is involved, commission of 7.50% of recurring premium income will be applicable.
Policy terms and conditions	
Eligibility	Employees younger than the Normal Retirement Age, who are in the full-time, active and permanent service of the employer, are eligible for cover under the proposed policy.
Commencement of cover	Eligible employees are covered from the date on which the policy commences (commencement date) and cover is applicable twenty-four hours a day.
Membership List requirement	The participating employer shall supply Metropolitan with a list of members who joined the scheme on its commencement date and shall, together with each monthly premium payment, supply Metropolitan with a list of withdrawals from the scheme together with a list of members who joined the scheme during that month.
Submission of evidence for claims	Suitable evidence in respect of any claim must be supplied to Metropolitan within 6 months of the participant's death or other event giving rise to a claim, or 3 months after an inquest into a death (where applicable). Metropolitan may however extend any such period if it is of the opinion that there is a good reason for a delay.
Temporary absence from service	The period of approved temporary absence shall not exceed 12 months. In the case of a member who through injury or illness is unable to follow his/her normal occupation, the maximum period of approved temporary absence will be 6 months. Periods of approved temporary absence which are interrupted by less than 6 consecutive calendar months are regarded for the purposes of these provisions as one period of approved temporary absence.
Change to terms and conditions	Metropolitan may alter the terms and conditions of this policy subject to giving the participating employer 3 months' written notice of its intention to do so.
Termination of this policy	If the participating employer wishes to terminate this policy, at least three months' notice of such intention must be given to Metropolitan.

Annexure:

Employee Protector Premiums

Definition of risk classes:

A	Low Risk Group (Skilled) Company average salary greater than R120 000 or Administrative and professional groups eg banking and financial institutions, offsite engineering and architectural services, legal firms, insurance, real estate, accounting practices, tertiary educational institutions.
B	Medium Risk Group (Semi skilled) Company average salary between R60 000 and R120 000 or Wholesale and retail groups as well as pharmaceutical, paramedical, advertising firms
C	High Risk Group (Unskilled) Company average salary between R30 000 and R60 000 or Light manufacturing eg furniture and fixtures, food and drink, textiles and mills, engineers on site, excluding, heavy engineering, construction, mining and long distance transport

Premiums applicable based on the Funeral Plan, Benefit Amount, risk class and region of the Participating employer:

All of South Africa, including Eastern Cape, Free State, Gauteng and Limpopo:

Industry	Benefit Amounts							
14+	R3,000	R4,000	R5,000	R6,000	R7,000	R8,000	R9,000	R10,000
6 to 13	R1,500	R2,000	R2,500	R3,000	R3,500	R4,000	R4,500	R5,000
less than 6	R750	R1,000	R1,250	R1,500	R1,750	R2,000	R2,250	R2,500
Risk Class	F1 Premiums							
A	3.60	4.80	6.00	7.10	8.30	9.50	10.70	11.90
B	6.10	8.10	10.10	12.10	14.10	16.20	18.20	20.20
C	8.90	11.90	14.90	17.80	20.80	23.80	26.70	29.70
Risk Class	F2 Premiums							
A	4.70	6.30	7.90	9.30	10.90	12.40	14.00	15.60
B	8.00	10.60	13.20	15.90	18.50	21.20	23.80	26.50
C	11.70	15.60	19.50	23.30	27.20	31.20	35.00	38.90
Risk Class	F4 Premiums							
A	9.30	12.40	15.60	18.30	21.50	24.40	27.60	30.70
B	15.80	20.90	26.00	31.30	36.40	41.80	46.90	52.20
C	23.00	30.70	38.40	45.90	53.60	61.50	69.00	76.60

Kwazulu-Natal (including Swaziland) and Mpumalanga:

Industry	Benefit Amounts							
14+	R3,000	R4,000	R5,000	R6,000	R7,000	R8,000	R9,000	R10,000
6 to 13	R1,500	R2,000	R2,500	R3,000	R3,500	R4,000	R4,500	R5,000
less than 6	R750	R1,000	R1,250	R1,500	R1,750	R2,000	R2,250	R2,500
Risk Class	F1 Premiums							
A	4.20	5.60	7.00	8.30	9.70	11.10	12.50	13.90
B	7.00	9.30	11.60	13.90	16.20	18.60	20.90	23.20
C	10.40	13.90	17.40	20.80	24.30	27.80	31.20	34.70
Risk Class	F2 Premiums							
A	5.50	7.30	9.20	10.90	12.70	14.50	16.40	18.20
B	9.20	12.20	15.20	18.20	21.20	24.40	27.40	30.40
C	13.60	18.20	22.80	27.20	31.80	36.40	40.90	45.50
Risk Class	F4 Premiums							
A	10.80	14.40	18.10	21.50	25.00	28.60	32.30	35.90
B	18.10	24.00	29.90	35.90	41.80	48.10	54.00	59.90
C	26.80	35.90	44.90	53.60	62.60	71.70	80.60	89.60

Western Cape, Northern Cape, North West Province:

Industry	Benefit Amounts							
14+	R3,000	R4,000	R5,000	R6,000	R7,000	R8,000	R9,000	R10,000
6 to 13	R1,500	R2,000	R2,500	R3,000	R3,500	R4,000	R4,500	R5,000
less than 6	R750	R1,000	R1,250	R1,500	R1,750	R2,000	R2,250	R2,500
Risk Class	F1 Premiums							
A	3.10	4.20	5.20	6.20	7.30	8.30	9.40	10.40
B	5.10	6.80	8.50	10.10	11.80	13.50	15.20	16.90
C	7.40	9.80	12.30	14.70	17.20	19.60	22.10	24.50
Risk Class	F2 Premiums							
A	4.10	5.50	6.80	8.10	9.60	10.90	12.30	13.60
B	6.70	8.90	11.10	13.20	15.50	17.70	19.90	22.10
C	9.70	12.80	16.10	19.30	22.50	25.70	29.00	32.10
Risk Class	F4 Premiums							
A	8.10	10.80	13.40	16.00	18.90	21.50	24.20	26.80
B	13.20	17.50	21.90	26.00	30.50	34.90	39.20	43.50
C	19.10	25.20	31.70	38.00	44.30	50.60	57.10	63.20