



Funeral Benefit Plan

Purpose

Provide employees with group funeral insurance to ease the financial burden that is placed on the family at a difficult time.

Membership is compulsory for all or selected categories of employees or members of unions or associations who are in permanent and active employment and have not yet reached normal retirement age. The employer decides who will be covered under the plan - from member only to member and Dependants, and even parents.

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

A minimum of **300** employees are required.

Product Features

Employers may choose from various plans. These are:

- Plan E1: Basic member only funeral cover
- Plan E2: Member only funeral cover with Permanent Paid-up Policies on retirement of the member.
- Plan F1: Basic family funeral cover
- Plan F2: Family funeral cover with Temporary Paid-up Policies on the death of a member before normal retirement age.
- Plan F3: Family funeral cover with Permanent Paid-up Policies on death of a member before normal retirement age.
- Plan F4: Family funeral cover with Permanent Paid-up Policies on the death or retirement of the member.
- Plan F5: Family funeral cover during the member's lifetime.

The general lump sum death benefits which may be chosen are as follows:

Member:		Any rand amount from R3 000 to R10 000.
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

Higher cover for the member's family may be chosen provided the cover does not exceed the member's cover.

Definition of Paid-up Policies

A paid-up policy is normally 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.



Specifics

<p>Plan E1: Basic member only funeral cover</p>	<p>Cover is provided for the member only. Cover ceases on the earliest of the member's death, attaining Normal Retirement Age or ceasing to be a member.</p>																					
<p>Plan E2: Member only funeral cover with Permanent Paid-up Policies on retirement of the member.</p>	<p>Cover is provided for the member only. Cover ceases on the earlier of the member's death or ceasing to be a member. When a member reaches Normal Retirement Age, a permanent paid-up policy on the life of the member is issued.</p>																					
<p>Plan F1: Basic family funeral cover</p>	<p>Cover is provided for members and their dependants. Cover ceases on the earliest of the member's death, attaining Normal Retirement Age or ceasing to be a member.</p>																					
<p>Plan F2: Funeral cover with Temporary Paid-up Policies on the death of a member.</p>	<p>Cover is provided for members and their dependants. Cover ceases on the earliest of the member's death, attaining Normal Retirement Age or ceasing to be a member. In the event of the member's death prior to the Normal Retirement Age, a temporary paid-up policy will be issued to the member's surviving dependants.</p>																					
<p>Plan F3: Family funeral cover with Permanent Paid-up Policies on death of a member before normal retirement age.</p>	<p>Cover is provided for members and their dependants. Cover ceases on the earlier of the member's death or ceasing to be a member. In the event of the member's death prior to the Normal Retirement Age, a permanent paid-up policy will be issued to the member's surviving dependants.</p>																					
<p>Plan F4: Family funeral cover with Permanent Paid-up Policies on the death or retirement of the member.</p>	<p>Cover is provided for members and their dependants. Cover ceases when a member ceases to be a member. In the event of the member's death prior to the Normal Retirement Age, a permanent paid-up policy will be issued to the member's surviving dependants. On attaining Normal Retirement Age, a permanent paid-up policy will be issued to the member and dependants.</p> <p>For schemes with less than 500 members, the value of the Paid-up Policies at retirement will decrease to the percentage of funeral cover available in accordance with the number of years of premiums paid as outlined in the table below:</p> <table border="1" data-bbox="603 1205 1471 1391"> <thead> <tr> <th colspan="7">Percentage of funeral cover available in accordance with the number of years of consecutive premium payments</th> </tr> <tr> <th>10 years or more</th> <th>9 years</th> <th>8 years</th> <th>7 years</th> <th>6 years</th> <th>5 years</th> <th>Less than 5 years</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>90%</td> <td>80%</td> <td>70%</td> <td>60%</td> <td>50 %</td> <td>0%</td> </tr> </tbody> </table>	Percentage of funeral cover available in accordance with the number of years of consecutive premium payments							10 years or more	9 years	8 years	7 years	6 years	5 years	Less than 5 years	100%	90%	80%	70%	60%	50 %	0%
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<p>Plan F5: Family funeral cover during the member's lifetime.</p>	<p>Cover is provided for members and their dependants, irrespective of the member age. Cover and premiums ceases on the earlier of the member's death or ceasing to be a member.</p>																					
<p>Supplementary Benefits</p>																						
<p>Accident benefit</p>	<p>If a member or his/her dependant over the age of 14 years die as a direct result of an accident, an additional amount equal to the main funeral benefit is payable.</p>																					



<p>Disability benefit</p>	<p>Should a member, after at least one year's membership, whilst in active service, become totally and permanently disabled before reaching the Normal Retirement Age (maximum age 65), a paid-up policy will be issued covering the lives of the member and his/her dependants.</p> <p>A paid-up policy will be issued during the one-year membership period if disablement was as a direct result of an accident.</p> <p>This benefit is available under Plans E2, F2, F3 and F4. A temporary paid-up policy will be applicable for the F2 plan, whereas permanent paid-up policies will be applicable for the other plans.</p> <p>One of two definitions of disability may be chosen:</p> <ul style="list-style-type: none"> • Disability is a condition where the member is prevented from following his/her own or suited occupation as a result of an accident or illness. <li style="text-align: center;">OR • Disability is a condition where the member is prevented from following any occupation as a result of an accident or illness.
<p>Parent Cover</p>	<p>Parent cover can either be chosen on a voluntary or compulsory basis.</p> <p>Voluntary parent cover</p> <ul style="list-style-type: none"> • Parent cover may be added to the Funeral Plan subject to minimum membership requirements at the discretion of Metropolitan. The current minimum membership requirement is that 1 000 main members must select the Parent Cover option. • Members may not be within 5 years from the scheme cessation age. • Parents must be nominated within six months of the member joining the scheme. • The maximum cover is restricted to the member's benefit amount. • A maximum of four parents are allowed i.e. parents and parents-in-law. • Both parents must be covered if alive. • Parents-in-law may only be covered if the member's own parents are covered. • Parents/parents-in-law are not entitled to accident and disability benefits on their own lives. • If a parent dies during the first three months of cover, the benefit will only be payable if death was as a result of an accident. • Costs are quoted per R1000 cover per parent. • This Voluntary Parent Cover option will only be offered at the discretion of Metropolitan and subject to the availability of a complete marketing and administration procedure. <p>Compulsory parent cover</p> <ul style="list-style-type: none"> • The employer/union/association must select the type of parents (either own parents only or own plus parents-in-law) to be covered for each member. • If own parents only is selected, then all the member's own parents who are alive will be covered, subject to a maximum of 2 parents. • If own plus parents-in-law is selected, then all the member's own parents and parents-in-law who are alive will be covered, subject to a maximum of 4 parents. • A flat level of cover must be selected for all parents.



	<ul style="list-style-type: none"> A flat premium will be quoted for all members irrespective of their actual number of parents
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General terms and conditions

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 either payable monthly in advance with 30 days grace or in arrears with 7 days' grace.
Broker commission	Commission of up to 10% of recurring premium income (plus Vat) may 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 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.