

# FundsAtWork Family Protector

Protects and provides for the FundsAtWork members and their families. Having these benefits contributes to the **financial wellness** of the members' families and helps them to secure their world.





## FundsAtWork Family Protector BASE covers the following expenses:

### Funeral

Basic payout if a member or family member dies to pay for some of the funeral costs

### Education

Basic payouts if a member dies to pay for some of their children's schooling costs

### Health premium waiver

Payment of the premium to Momentum Health if a member becomes disabled or dies

Family Protector PLUS is available to members on Provider and Entrepreneur. An employer on Founder and Narrator may choose to upgrade to the funeral benefit PLUS for all their employees. Members on Founder and Narrator can't flex to PLUS.

Benefits the member must have to qualify for either the BASE or the PLUS option	Family Protector BASE Benefits the member will get on the Founder, Narrator, Provider and Entrepreneur product options	Family Protector PLUS Benefits available on Provider and Entrepreneur by paying a small additional premium
Retirement benefits	<b>Funeral benefit BASE</b> <ul style="list-style-type: none"> <li>R10 000 per member and spouse/s</li> <li>R5 000 per child</li> </ul> 8 family members covered (the member, up to 2 spouses and 5 children)	<b>Funeral benefit PLUS (FlexiCovers)</b> The member can: <ul style="list-style-type: none"> <li>add children</li> <li>add cover for children</li> <li>add cover for member and spouse/s</li> <li>add parents / parents-in-law</li> </ul>
Retirement and disability	<b>Funeral benefit BASE</b> + <b>Health premium waiver BASE (on disability)</b> <ul style="list-style-type: none"> <li>pays medical scheme premiums if a member is disabled</li> <li>only for members on Momentum Health</li> <li>premiums are paid for 12 months</li> </ul>	<b>Funeral benefit PLUS (FlexiCovers)</b> + <b>Health premium waiver PLUS (on disability) (FlexiCovers)</b> The member can: <ul style="list-style-type: none"> <li>add years</li> <li>add another medical scheme</li> </ul>
Retirement and death benefits	<b>Funeral benefit BASE</b> + <b>Health premium waiver BASE (on death)</b> + <b>Education benefit BASE</b> <ul style="list-style-type: none"> <li>an amount is made available for children's education if a member dies</li> <li>lump sum payment of R10 000 per child</li> <li>up to 5 children covered</li> <li>money administered by FNB Trust</li> </ul>	<b>Funeral benefit PLUS (FlexiCovers)</b> + <b>Health premium waiver PLUS (on death) (FlexiCovers)</b> + <b>Education benefit PLUS (FlexiCovers)</b> The member can: <ul style="list-style-type: none"> <li>add children</li> <li>add cover</li> </ul>
Retirement and disability and death benefits	<b>Funeral benefit BASE</b> + <b>Health premium waiver BASE (on disability and death)</b> + <b>Education benefit BASE</b>	<b>Funeral benefit PLUS (FlexiCovers)</b> + <b>Health premium waiver PLUS (on disability and death) (FlexiCovers)</b> + <b>Education benefit PLUS (FlexiCovers)</b>

## Funeral Benefit

### What does the term child refer to?

- a natural or adopted (whether legally or by custom) child of the member and / or the member's spouse, up to the age of 21 if the child is unmarried or up to the age of 25 if studying full time or is incapable of earning an income because of a mental or physical defect;
- a stillborn child; a stillbirth is deemed to have occurred when a foetus dies after the 28th week of pregnancy.

### What does spouse mean?

Spouse means the partner of the member, whether married legally or by custom or living as man and wife. Where the member has more than one spouse, up to two spouses may qualify for this benefit. For same sex partnerships, the member needs to have registered the partner as the "spouse" for the purpose of any employment records and benefits.

### What do I need to know about the funeral benefit PLUS?

Members may:

- Increase the cover for their spouse/s and themselves to a maximum of R30 000 in multiples of R2 500. The benefit for the member and spouse/s is always flexed together.

## Education benefit

### What do I need to know about the education benefit?

The benefit paid is in respect of the member's children. The term child refers to a natural or adopted (whether legally or by custom) child of the member and / or the member's spouse, who is born at the time of the member's death and is up to the age of 21.

The benefit is paid to Momentum Trust Limited. First National Bank (FNB) administers the trust including the payment for the education costs and manages all the administration.

If a child dies before the age of 21 then the remaining benefit will be distributed to the surviving siblings. If there are no siblings then the remaining benefit will be paid into the deceased child's estate. If a member has more than five children and did not choose to add the additional children, then the remaining benefit will be paid to the child that was not previously a beneficiary. **If a member does not have any children, this benefit will not be paid out.**

The details relating to the trust are:

- Payment from the trust will only be made on providing proof of education expenses. These educational expenses include school fees, school clothes, stationery, etc.
- Interest at the FNB standard call rates is earned on the balance of the lump sum in the trust.
- Trust costs are deducted from the benefit amount. This includes an upfront fee of R285 per trust and an annual administration fee of 1.37% based on the capital amount in the trust. The annual fee is levied quarterly subject to a minimum fee of R34.20 per quarter.

## Health premium waiver

### What do I need to know about the health premium waiver benefit

The premium paid is for the same option that the member was on just before their death or disability.

BASE covers members on the Momentum Health medical scheme. The member must be on Momentum Health at the time of claim and on a medical scheme for a year prior to date of death or disability.

### What do I need to know about the health premium waiver benefit PLUS?

The members may:

- Increase the payment period, in multiples of 12 months up to a maximum of 5 years.
- Select another medical scheme. The monthly contribution paid to another medical scheme is capped at R850 for a single member and R1 500 for a family.

- Include cover for 2 additional children.
- Include cover for parents and / or parents-in-law, they can be covered for R3 000 or R6 000 and a maximum of 2 parents and 2 parents-in-law are allowed. The maximum age for entry for the parents and parents-in-law is 74.
- Increase cover for children to a maximum of R30 000 in multiples of R2 500, provided that their cover doesn't exceed the member's cover. The member has to increase the cover to the same amount for all their children. The maximum amount of cover for children under the age of six is R10 000 and for children over the age of six is R30 000.
- At any time reduce these increased benefits, but not to a level lower than the funeral benefit BASE.

### A waiting period of 6 months applies to any flexed benefit. This applies to the addition of parents, parents-in-law and children or increases in benefit levels.

If an employer chooses to increase the funeral cover for the member and the spouse/s for all their employees then Momentum will waive the waiting period. This will apply to employers with 5 and more employees.

Premiums that are paid for additional family members will stop on the death of the added family member.

- There is no annual limit on amounts withdrawn from the trust provided they are education related. Once the lump sum in the trust has been exhausted, the benefit stops.
- When children finish school or reach the age of 21 and are no longer studying (whichever occurs last), they will receive the remainder of the benefit as a tax-free lump sum.
- If at any time the amount in the trust is less than or equal to R5 000, the balance of the benefit is paid out as a tax free lump sum.
- The letter sent to the beneficiaries includes the contact details of the trust administrators. Currently these are:  
Portia Zwane  
Trust Services Johannesburg  
Tel (011) 280 8715, Fax (086) 639 0136  
email portia.zwane@fnb.co.za

### What do I need to know about the education benefit PLUS?

The members may:

- Increase the cover in multiples of R10 000 pa, per child. The maximum amount is 5 times the member's annual salary.
- Include cover for additional children (maximum of 2).

### Momentum reserves the right to underwrite any member that flexes the education benefit. A waiting period of 6 months will apply to any flexed benefit unless the member has been underwritten.

If a member has chosen another medical scheme, at time of claim they have to have belonged to a medical scheme for a year.

Annual increases for members on Momentum Health are covered by the health premium waiver benefit. Annual increases on another medical scheme are capped to the medical inflation rate.

Members are allowed to flex once a year in January.

### A waiting period of 6 months applies to any flexed benefit.

### Is tax paid?

The contribution paid to the medical scheme in respect of a member receiving a disability income benefit is subject to income tax in the hands of the member. However, the member will be able to claim the appropriate deduction for medical expenses. The contributions will be reflected on the member's IRP5 tax Certificate issued by Momentum.

## Some further information

### What happens if a member belongs to the pension and provident fund?

In the case of a hybrid scheme, ie where member contributions are invested in a pension fund and employer contributions are invested in a provident fund, the Family Protector BASE benefits are only paid once.

### At what age does the benefit stop?

The member is covered until normal retirement age. If a member continues working past normal retirement age then they are covered for the funeral benefit until age 70. If a member's group life cover is extended to age 70 then the member is also covered for the education and health premium waiver benefit.

### What happens when a member moves to the FundsAtWork preservation fund?

Members from the FundsAtWork umbrella fund who preserve their retirement savings in the FundsAtWork preservation fund when they change employers keep their funeral benefits BASE, at no cost. Members can also keep their education benefit BASE and health premium waiver BASE if they continue their life and disability insurance benefits with a corresponding Momentum Myriad policy.

### Fees for Family Protector

Family Protector BASE forms part of the umbrella fund and a nominal cost of R6.50 per month is charged to the member. All premiums for Family Protector PLUS are revised on 1 July each year. If a scheme's inception date is in June, the fees will change within a month from inception.

Additional cover for:	Funeral benefit PLUS
Member & spouse	R6pm per R2 500, we assume that the member has a spouse/s
Parents	R9pm per R3 000 per person
Parents-in-law	R9pm per R3 000 per person
Children	R1pm per additional child for BASE (R5 000 cover)
Children's cover	R3pm per R2 500 per child

Additional cover for:	Education benefit PLUS
Children	R5pm per R10 000 per child

Additional years under:	Health premium waiver PLUS
<b>Momentum Health</b>	
FlexiCovers group life	R11pm for every year added
FlexiCovers disability	R5pm for every year added
<b>Another medical scheme</b>	
FlexiCovers group life	R15pm for every year added
FlexiCovers disability	R7pm for every year added

## Summary of changes

- The benefit amount on the funeral benefit BASE and the education benefit BASE has changed.
- The way the benefit amount is set for the education benefit PLUS has changed.
- Five children are covered under the funeral benefit BASE and education benefit BASE (previously four).
- The amount of cover on the funeral benefit PLUS for parents and parents-in-law has changed.
- A waiting period of 6 months applies to any flexed benefit.
- Some of the costs for the PLUS benefits have changed.
- Momentum reserves the right to underwrite any member who flexes the education benefit.

For more information please contact your marketing adviser or visit [www.momentum.co.za/fundsatwork](http://www.momentum.co.za/fundsatwork)

### Disclaimer:

The information in this document is for information purposes only. All the rights of the members are embodied in the insurance policies issued to cover the insurance benefits.