

IMPORTANT NOTES IN RESPECT OF DEATH BENEFITS

- Should a member's pensionable salary, times the multiple of salary set out in the table above, exceeds R 15 million for both option 1 and option 2 benefits, then the member will be required to provide evidence of good health in order to qualify for these benefits. If a member fails to do so, the benefit will be "capped" at R 15 million. The mentioned R 15 million is called the "free cover limit", which is applicable to the death benefits category.
- Should a member elect option 1 then the member may increase his/her cover to option 2 at the date of the member's marriage or birth of a child without providing evidence of good health. In addition, on 1 October each year members may elect to move from option 1 to option 2, although the Insurer may require a member to provide evidence of good health.
- The Fund's obligation to a member's beneficiaries is limited to the amount paid by the Insurer. A member's beneficiaries may apply this benefit at their discretion after which the Fund will have no further obligation to the family or next of kin of the deceased member.

IMPORTANT NOTES IN RESPECT OF MEDICAL DISABILITY BENEFITS

- A waiting period of 6 months applies before the medical disability benefit in respect of a flexible risk member may become payable. In order to be entitled to the medical disability benefit both a flexible and fixed risk member must be regarded as totally and permanently medical disabled for his/her own or similar occupation.
- The same provisions relating to increasing a member's flexible risk cover from option 1 (2%) to option 2 (4%) as for death benefits applies, except in addition, a member's medical disability cover will be limited to the option 1 multiple if the member's medical disability condition arises within 12 months after the member has increased the cover from a known health condition that existed 6 months or less before it was increased.
- In the event that a flexible risk member is entitled to a medical disability benefit, the amount as per the table above is "capped" to a maximum of R 12.0 million. The member's total accumulated savings (Fund Credit) is payable in addition to the insured benefit.
- In the event that a member is regarded as medically disabled five (5) years or less before the member's normal retirement age (whether 60 or 65 years), the medical disability benefit will be reduced by 1/60th per month for each month the member is younger than 60 or 65 years of age as the case may be. For example, this implies that should a member be regarded as medically disabled 12 months before the normal retirement age, the benefit will be 12/60 than the benefit set out in the table above.
- Members will not be covered for any medical disability that arises from a self-inflicted injury as defined in the policy conditions.
- Members may elect to receive a maximum of one third (1/3rd) of the total medical disability benefit as a lump sum in cash, whilst the balance should be used to secure a monthly income from an external Insurer after which the Fund will have no further obligation in this respect.

It should furthermore be noted that there are a number of general exclusions that apply related to war, terrorism, the use of chemical or biological weapons as well as claims arising from civil commotion, riots, strikes and labour disturbances. These exclusions are dealt with fully in the insurance policy.

Members should consult a Financial Advisor to ensure that they clearly understand the implications of their choices. Members should furthermore ensure that they are fully aware of the Risk Benefits structures and categories they elect before they exercise any choice in this regard and cannot hold the Fund, the Insurer, the Board, the Principal Officer of the Fund, the Employer and/or the Administrator of the Fund (Momentum Retirement Administrators) responsible for any claim arising from their Risk Benefits structure choices. Members should also refer to their member benefits statements which clearly specify their current Risk Benefits structures and categories.

If any conflict between this document and the rules of the Fund and Policy, the Rules of the Fund and the policy will prevail.

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