

# Group Life Assurance Benefit





# Group Life Assurance Benefit

Losing a loved one is never easy and can become even more difficult if those left behind experience financial strain as a result of this loss. Our Group Life Assurance Benefit pays a cash lump sum to a member's loved ones if they pass away.

## How does the Group Life Assurance Benefit work?

- Benefits are expressed as a multiple of a member's salary (for salary-based plans) or as a rand amount (for rand-based plans).
- Benefits can also vary between different member categories.
- It is offered as a stand-alone, unapproved benefit on our Corporate Insured Series Plan, or as part of our Corporate Selection Unapproved Group Life Plan.
- It is also available as an approved risk benefit either on the Corporate Selection Umbrella fund or is available to another retirement fund that elects to provide for this type of benefit. This benefit only becomes payable should the member of the retirement fund retire from the fund.
- A continuation option allows members to continue their cover after leaving the plan with minimal underwriting.

## How much are members covered for?

### *Cover is limited to:*

- 10 times a member's annual salary (for salary-based plans).
- 100 times the total annual death, disability and retirement benefit contributions made by and on behalf of the member (for rand-based plans).

## What happens if a member passes away within 12 months of joining?

If a member passes away from a pre-existing condition, within the first 12 months of obtaining brand new cover, certain restrictions will apply.

If a member commits suicide within 12 months of first joining the plan, the benefit payable will also be treated as if it were a pre-existing condition and certain restrictions will apply.

## When will a member's cover end?

### *Cover will end if a member* (whichever comes first):

- The employer participation is cancelled
- The member leaves the employer
- The member leaves the retirement fund, where cover is taken on an approved basisThe member reaches the benefit Termination Age, as outlined in the employer participation schedule
- The member turns 70
- The member receives a benefit from any retirement fund that his or her employer operates or participates in for the benefit of its employees, where this cover is taken on an approved basis.

## What is an Accidental Death Benefit?

Our Accidental Death Benefit is available in addition to the standard Group Life Assurance Benefit. This benefit provides additional security to members and their dependants. It pays out if a member passes away due to bodily injury caused by violent, accidental, external and visible means and death occurs within 90 days of the accident.

## How much are members covered for?

### *For salary-based plans, cover may not exceed* (whichever comes first):

- The member's Group Life Assurance Benefit cover.
- Twice the member's annual salary.
- R2 million.

“Grief is in two parts. The first is loss. The second is the remaking of life.”

- Anne Roiphe

# Group Life Assurance Benefit

*For rand-based plans, cover may not exceed* (whichever comes first):

- The member's Group Life Assurance Benefit cover.
- 20 times the total annual contribution made by and on behalf of the member.
- R2 million.

## When will a member's accidental death benefit cover end?

*Cover will end if a member* (whichever comes first):

- The employer participation is cancelled
- The member leaves the employer
- The member reaches the benefit Termination Age, as outlined in the employer participation schedule
- Turns 65.
- The member receives a benefit from any retirement fund that his or her employer operates or participates in for the benefit of its employees, where this cover is taken on an approved basis

## What is a Spouse's Death Benefit?

Our Spouse's Death Benefit is also available in addition to the standard Group Life Assurance Benefit. This benefit pays a lump sum to the member if his or her spouse passes away.

*The spouse is the named person to whom the principal member is legally married and includes:*

- A customary union according to the Customary Marriages Act.
- A union recognised under the tenets of any Asiatic religion.
- A life partner in a relationship, which Liberty considers akin to a marriage.
- The specific spouse nominated by a member (where polygamy is practiced).

## How much are member's Spouse Death Benefit covered for?

*For salary-based plans, cover may not exceed* (whichever comes first):

- The member's Group Life Assurance Benefit cover.
- Twice the member's annual salary.
- R2 million.

*For rand-based plans, cover may not exceed* (whichever comes first):

- The member's Group Life Assurance Benefit cover.
- 20 times the total annual contribution made by and on behalf of the member.
- R2 million.

## When will a member's Spouse Death Benefit cover end?

*Cover will end if* (whichever comes first):

- The employer participation is cancelled
- The member leaves the participating employer
- The member reaches the benefit Termination Age, as outlined in the employer participation schedule
- The member receives a benefit from any retirement fund that his or her employer operates or participates in for the benefit of its employees, where this cover is taken on an approved basis
- The spouse receives a spouse's disability benefit in terms of these rules
- A member passes away.
- A member gets divorced from his or her nominated spouse.
- A member's spouse turns 70.

## What are the tax implications?

Where this benefit is taken as an unapproved benefit, members may pay fringe benefit tax on the premium. The proceeds of the benefit will be paid out tax free.

Where this benefit is taken as an approved benefit there is no fringe benefit tax due and the payment of the benefit is subject to the lump sum retirement tax tables set out in the Second Schedule to the Income Tax Act. Employers and Members are advised to seek appropriate guidance from a tax practitioner or from their appointed financial adviser.

## What are the exclusions?

Please see the table of exclusions listed as part of our Benefit Parameters brochure. This can be found on our website ([www.libertycorporate.co.za](http://www.libertycorporate.co.za)).



# Exclusions

| Exclusions  | Death                                       |                          |
|---|---|--------------------------|
|   | Group Life Assurance Spouse's Death Benefit | Accidental Death Benefit |
| Injury that is self-inflicted or in any way deliberately caused by the member or spouse.  |   | x                        |
| Suicide (should it occur within the first 12 months of cover having commenced).   | x   |                          |
| Alcohol consumption or the taking or application of poisons or drugs (except in accordance with a bona fide prescription issued by a qualified medical practitioner).   |   | x                        |
| Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.   |   | x                        |
| The use of nuclear, biological or chemical weapons, or attacks on, or sabotage of, facilities and storage depots (whether direct or remotely initiated), which leads to the release of radioactivity or nuclear, biological or chemical warfare agents.   | x   | x                        |
| War, invasion, acts of foreign enemies, hostilities, warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of usurped power.  | x   | x                        |
| An act of terrorism. Meaning an act including, but not limited to, the use of force or violence and/or the threat thereof, by any person or group/s of persons, whether acting alone or on behalf of or in connection with any organisation/s or government/s, committed for political, religious, ideological, or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear, whether determined in terms of any relevant legislation to have been an act of terrorism or not. | x   | x                        |
| Any act of the member or spouse, which is a wilful and material violation of any law.   | x   | x                        |
| Involvement in any riot, civil commotion (assuming the proportions of or amounting to an uprising or not), infringement of martial law, or any act incidental to, or arising from, such an occurrence.  |   | x                        |

These exclusions above apply as at the date of the printed brochure. Please refer to the Benefit Parameters brochure for the most recent exclusions.

## Terms and conditions

Please see the table of general exclusions listed above as well as the Benefit Parameters brochure for terms and conditions relating to the Group Life Assurance Benefit. This benefit will only be authorised if Liberty Corporate accepts the claim as valid. There are specific exclusions applicable to this benefit, which can be found on our website ([www.libertycorporate.co.za](http://www.libertycorporate.co.za)) as well as in the relevant policy document.

# Contact details and complaints resolution procedure

## Contact us

For more information please contact your accredited Liberty financial adviser, broker or the Liberty Corporate support centre below.

### Liberty Corporate General Contact Centre

t: 011 408 2999

f: 011 408 2264

e: [lc.contact@liberty.co.za](mailto:lc.contact@liberty.co.za)

[www.libertycorporate.co.za](http://www.libertycorporate.co.za)

## Complaints

Complaints or comments should be directed in writing to:

### The Complaints Resolution Manager

*Liberty Corporate*

P O Box 2094, Johannesburg, 2000

t: 011 408 2771

f: 011 408 4440

e: [contactlcb@liberty.co.za](mailto:contactlcb@liberty.co.za)

Alternatively, complaints may be directed in writing to:

*The Liberty Internal Ombudsman*

P O Box 10499, Johannesburg, 2000

f: 011 408 3157

e: [internalombud@liberty.co.za](mailto:internalombud@liberty.co.za)

If your complaint is not resolved to your satisfaction by Liberty, you may contact one of the legislative bodies that have been tasked to look after your interests as a customer.

### For fund complaints:

*The Pension Funds Adjudicator*

P O Box 580, Menlyn, 0063

t: 012 346 1738

f: 086 693 7472

e: [enquiries-jhb@pfa.org.za](mailto:enquiries-jhb@pfa.org.za)

### For complaints regarding a financial adviser:

*FAIS Ombud*

P O Box 74571, Lynnwood Ridge, 0040

t: 012 470 9080

f: 012 348 3447

e: [info@faisombud.co.za](mailto:info@faisombud.co.za)

### Ombudsman for Long-term Insurance

*The Honourable Mr Justice RP McLaren*

Private Bag X45, Claremont, 7735

t: 021 657 5000

Sharecall: 0860 10 3236; 021 674 0951

e: [info@ombud.co.za](mailto:info@ombud.co.za)

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