Your Scheme in Detail
“The difference between something good and something great is attention to detail.”

- Charles R. Swindoll
Your Scheme in Detail

We understand that as an employer, you play a pivotal role in the financial lives of your employees. Our aim is to assist you in protecting their financial future, ensuring that you and your employees can live life to the full.

This product guide aims to provide clients with a better understanding of the features, benefits and costs associated with the corporate solution being considered and deals with the establishment of an employer’s participation in an insured umbrella scheme or insured stand-alone pension or provident fund within the Liberty risk, administration and investment framework.

This document must accompany the quotation provided by Liberty Corporate for it to be considered a complete and valid quotation. The information contained is extensive and should be clearly understood for an informed purchase decision to be made.

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Understanding your quotation

1. Understanding your quotation

1.1 Validity
The quotation is valid for one month from the date that the quotation is produced, provided the employer’s scheme is installed with the selected commencement date shown on the quotation and there is no change to the membership information provided. If the quotation is accepted by the employer and the Trustees of the Fund, a new scheme is instituted. Please note that acceptance will be subject to compliance with Liberty Corporate’s normal installation procedures.

1.2 Installation criteria
Please refer to the enclosed benefit parameters brochure for the latest installation criteria and business rules associated with the Liberty Corporate offering.

1.3 General disclosures
• The insured benefit costs shown assume that each member above the medical free limit will supply satisfactory evidence of health within 60 calendar days of installation of the scheme. If evidence is not submitted or found to be unsatisfactory, insured benefits will be adjusted downwards to the medical free limit and costs will be adjusted appropriately.
• Where spouse’s death benefits have been selected and the marital status is recorded as either ‘unknown’ or ‘single’, the spouse will not be covered for this benefit.
• Where polygamy is practiced in a legal marriage, the term spouse means the surviving spouses collectively. Any benefit due to a spouse will then be split equally between the member’s surviving spouses.
• The definition of a spouse is strictly applied as someone who is the member’s permanent life partner, spouse or civil union partner in accordance with:
  • The Civil Union Act, 2006 (Act No. 17 of 2006).
  • The tenets of a religion.

1.4 Replacing an existing scheme
In some instances it may not be to the members’ advantage to replace one scheme or group of individual policies with another scheme as there could be potentially detrimental consequences, whether insured by Liberty or another registered insurer.

If the employer wishes to proceed, they must discuss the financial implications and impact on benefits with a financial adviser.

Things to consider when replacing an existing scheme include:
• The charges payable for a new product.
• The expenses or penalties payable to cancel or change the existing financial product.
• The difference in the investment risk.
• The tax implications.
• Potential loss of any benefits or guarantees by changing or cancelling the existing financial product.
• Access to the funds in the new product.
• The impact that age and health may have on contributions and benefits of the new product.
• Any applicable limits to the new product (for example, there may be exclusions or waiting periods).

1.5 Commencement
A Scheme Authority document, signed by an authorised official of the employer, together with a completed electronic proposal form must be submitted before the scheme can commence.

1.6 Claims
All claims are subject to admission of liability by Liberty Corporate and submission of the necessary documentation as requested by Liberty Corporate.

1.7 “Cooling-off Period”
The employer has the right to withdraw and cancel the implementation of the scheme within 30 calendar days of receipt of the installation package from Liberty Corporate.

To exercise this right, Liberty Corporate must receive written notice within this 30-day period at the registered address shown at the end of this document. The option to withdraw and cancel is automatically revoked where any claim against the policy has already been lodged with Liberty Corporate.

Where cancellation during the cooling-off period is effected, contributions paid will be refunded after deduction of the cost of any insured benefit cover that has been provided. The repayment will also be adjusted to take into account any reduction that might occur to the market value of the scheme’s investments.
Understanding your scheme

2. Understanding your scheme

2.1 Operation of the scheme
The scheme will be operated and governed by a set of rules. In addition, Liberty Corporate will issue policies of long-term insurance for the investment of the assets and the provision of the insured benefits.

The Board of Trustees (“Trustees”), of the suite of Corporate Selection Umbrella Funds, will ensure that the rules comply with the requirements of both the Registrar of Pension Funds and the Commissioner for the South African Revenue Service so that registration and approval is obtained respectively, where applicable.

Should registration and/or approval not be granted, for whatever reason, Liberty Corporate cannot accept responsibility for any direct or indirect loss that may be suffered by the employer, including consequential and/or loss of profit.

2.2 Membership
The employer must specify the classes of employees that will be eligible to join the scheme in the scheme rules.

A condition of the Income Tax Act approval criteria for Retirement Schemes is that all eligible employees must be given the opportunity to join the scheme at its commencement date. This option must be exercised within 12 months of such date. Employees who subsequently enter service must, as a condition of employment, join as soon as they satisfy the scheme’s membership eligibility conditions.

If a scheme has risk benefits, all eligible employees, (i.e. both staff currently in service and all new staff) must join the scheme in order to qualify for the medical free limit described in the Assumption of Risk Conditions.

2.3 Scheme salary
All benefits and contributions in terms of a salary-based scheme are related to a scheme salary defined by the employer. Our quotation will have been based on the assumption that scheme salary will normally remain the same throughout the scheme year and will only change in line with any general review of earnings, or upon promotion. The quotation does not cover the situation where the scheme salary changes on a weekly, monthly, quarterly or half annual basis.

2.4 Contributions
Contributions for retirement benefits will be deducted from the member’s salary by the employer and paid to Liberty Corporate with the employer’s contributions. All contributions must be paid to Liberty Corporate within 7 days of the end of the month for which they are due, failing which the employer will be liable for payment of interest and possible prosecution.

2.5 Normal retirement date
Each member’s normal retirement date will be the first day of the month coincident with or following the member’s attainment of the scheme’s retirement age, as defined in the rules of the scheme.

2.6 Payment of benefits

On retirement:

• Pension schemes
  If a member’s retirement benefit exceeds the amount of R75 000 an annuity must be purchased at retirement in the name of the member. The annuity may be purchased with Liberty or any other registered insurer or annuity provider. In addition, a member may elect to:
  • Receive an annuity appropriately adjusted in amount to incorporate a different guarantee period, frequency of payment or to make provision for a pension for a chosen dependant(s);
  • Take a cash lump sum payment, of up to 1/3 of the full member’s share of fund (subject to tax) and purchase an annuity with the balance

• Provident schemes
  From the retirement benefit a member may elect to receive:
  • a cash lump sum (subject to tax), or
  • an annuity, or
  • any combination of an annuity and cash lump sum.

The member only needs to make a decision on the format of these benefits at the time of retirement.
“The true secret of happiness lies in taking a genuine interest in all the details of daily life.”

- William Morris
Understanding your scheme

2.6 Payment of benefits

On death:
If a member dies before retirement age, the member’s share of fund will be payable. A member’s share of fund refers to the total of accumulated contributions less expenses plus scheme investment returns.

Where applicable, Group Life Assurance benefits will also be paid. The distribution of benefits on death is undertaken by the Trustees of the suite of Corporate Selection Umbrella Funds in terms of the provisions of the Pension Funds Act.

On resignation:
Where a member leaves service prior to the normal retirement date, the benefit payable will be the member’s share of fund. The benefit may be taken as a cash lump sum (subject to tax) or a transfer to another fund or a combination of cash and transfer.

Liberty’s preservation schemes are tax-free options for withdrawing members who wish to preserve their benefits for eventual retirement, rather than receiving an after-tax cash lump sum.

2.7 Claims notification procedures

Claims must be submitted in writing to Liberty Corporate’s physical or postal address. Notification of claims can be made electronically on Blueprint Corporate by the appointed financial adviser or on Liberty Corporate Connect.

Please refer to the Benefit Parameters booklet on maximum notification periods for our various claim categories.

2.8 Continuation option

The continuation option allows a member to retain insured death and disability cover in an individual policy within 60 days of leaving the scheme, provided that they have been members of the scheme for at least 12 months prior to their exit from the scheme. This applies to retirement and withdrawal other than ill-health retirement, where the option is available at scheme level.

The maximum age at which the continuation option benefit may be exercised is as follows:

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Protection Plan</td>
<td>Age 60 (next birthday)</td>
</tr>
<tr>
<td>Capital Disability</td>
<td>Age 64 (next birthday)</td>
</tr>
<tr>
<td>Dread Disease</td>
<td>The earlier of scheme’s retirement age and 60</td>
</tr>
<tr>
<td>Group Life Assurance</td>
<td>The earlier of scheme’s retirement age and 65</td>
</tr>
</tbody>
</table>

The above will be subject to Liberty’s current business rules, Premium patterns and entry ages applicable to individual benefits offered.

2.9 Rule amendments

Any changes that may be required to the scheme rules must be communicated to Liberty Corporate in writing using the standard rule amendment form. Liberty Corporate will confirm if the required change can be accommodated and disclose any terms and conditions that may apply. Please note that changes to the scheme structure in the first year of its operation are not normally allowed.

2.10 Discontinuance of the scheme

If the employer is unwilling or unable to continue payment of contributions, Trustees and the members must be given one month’s written notice of the intention to discontinue the scheme. Thereafter, the standard terms set out in the Corporate Selection policy and/or scheme rules, or Corporate Insured Series policy, will apply.
Understanding investment

3. Understanding investment

The investment portfolios available for retirement contributions will differ depending on whether the scheme has selected to join one of the Corporate Selection Umbrella Funds, or operate as a Stand-alone arrangement. A variety of investment portfolios are available that may be selected for the scheme as a whole. Where the Trustees allow individual investment choice, members may select investment portfolios that are different to the scheme-level portfolios.

3.1 Illustrative retirement benefits

The illustrative retirement benefits shown in the quotation have been prepared using one of the two bases described below. Please refer to the summary of benefits and costs in the quotation to identify which alternative has been used.

Real rate of return

This method removes the impact of inflation from the projection. This means that the figures shown can be compared to current salaries and purchasing power, or in other words, current Rand values.

The illustrative retirement benefits have been calculated using an assumption of a 3% real rate of return. This implies that long-term investment yields will be 3% higher than the long-term rate of inflation and that salary increases will match inflation.

Long-term view

With this method, the impact of inflation is not removed and provides an illustrative benefit at the time of retirement. This means that the figures shown can be compared to salaries and purchasing power at retirement date.

The illustrative retirement benefits have been calculated using an assumption of 10% and 7% for investment returns and salary increases respectively. As such a long-term view of the potential change to these factors is taken. Implicit in these assumptions is an allowance for future inflation and caution should be exercised in reviewing figures that appear attractively large.

To retain a proper perspective, the relationship between the retirement benefit and anticipated salary in the year before retirement should be considered.

Actual experience

It is important to stress that eventual retirement benefits will emerge from a combination of actual investment returns and actual salary increases. It is important to remember that the figures shown in the quotation are only illustrative and Liberty shall not be bound by the illustrative figures provided.

3.2 Investment risk

Any form of investment should be made taking into account the possible volatility in value of the investment. In general terms, the higher the possibility of volatility the more likely that large gains or losses in value will occur. Members and employers will find it much easier to choose an investment portfolio once they understand and accept volatility in value.

Investment portfolios are therefore usually grouped into one of the following “risk profiles”:

Conservative

This profile is suited to an investor:
- Wanting to preserve their capital
- Wanting some growth but with limited fluctuations from year to year

Moderately Conservative

This profile is suited to an investor:
- Wanting to preserve their capital
- Wanting to achieve real returns* of at least 2% p.a. over their investment horizon of at least 4 years, and is prepared to accept some fluctuations in returns from year to year

Moderate

This profile is suited to an investor:
- Wanting to achieve real returns* of at least 3% p.a. over their investment horizon of at least 5 years
- Prepared to accept high fluctuations in returns from year to year
Understanding investment

3.2 Investment risk

**Moderately Aggressive**
This profile is suited to an investor:
- Wanting to achieve real returns* of at least 3.5% p.a. over their investment horizon of at least 8 years
- Prepared to accept high fluctuations in returns from year to year

**Aggressive**
This profile is suited to an investor:
- Wanting to achieve real returns* of at least 4.5% p.a. over their investment horizon of at least 10 years, and
- Prepared to accept significant fluctuations in returns from year to year

Members who wish to determine their personal risk profile should consult their Liberty accredited financial adviser prior to making investment decisions.

*Real returns are returns in excess of inflation after on-going management fees.
“It’s the little details that are vital. Little things make big things happen.”

- John Wooden
Understanding your Scheme’s Operating Expenses

4. Understanding your Scheme’s Operating Expenses

A scheme’s operating expenses comprise three main types of fees or charges:
- **Management fees** associated with the initial setup and ongoing administration.
- **Scheme fees and statutory charges** associated with ensuring governance and compliance with statutory requirements.
- **Investment management fees**, levied by asset managers for services rendered.

4.1 Management fees

The management fees are made up of two components: Administration fees and Sales related charges.

**Administration fees**

Administration fees are levied by Liberty Corporate to cover the cost of ongoing administration. The administration fee shown on the quotation is charged on a monthly basis and is deducted from each contribution received.

- The above fee is calculated according to the benefits selected and scheme structure. Liberty Corporate reserves the right to charge an additional fee where special administrative or actuarial services are required and/or are imposed by legislation.
- A discount on the administration fee will be applied where the employer elects to use Liberty Corporate Connect for the day-to-day administration and notifying Liberty Corporate of certain scheme changes.
- The administration fee includes an allowance for Value Added Tax (VAT) where applicable.

In addition, investment administration fees are charged by Liberty Corporate on the scheme assets (or the assets attributable to the participating employer in the case of Corporate Selection Umbrella Schemes). These fees are proportionally charged to each member’s share of fund monthly.

The following scale of investment administration fees applies:

<table>
<thead>
<tr>
<th>Total Scheme Assets</th>
<th>Investment Administration Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 3,000,000</td>
<td>1.20% p.a.</td>
</tr>
<tr>
<td>Next R 7,000,000</td>
<td>0.80% p.a.</td>
</tr>
<tr>
<td>Next R 30,000,000</td>
<td>0.45% p.a.</td>
</tr>
<tr>
<td>Balance over R 40,000,000</td>
<td>0.10% p.a.</td>
</tr>
</tbody>
</table>

The fee is subject to a minimum of R300 per month or R3600 per annum.

Where assets are managed by an external asset manager, not STANLIB, an asset handling fee of 0.25% p.a. is charged in addition to the above.
Understanding your Scheme's Operating Expenses

4.1 Management fees

Sales-related charges
Sales-related charges are levied on an ongoing basis. The charges cover Liberty’s sales costs, which include commission paid to the financial advisor.

- Commission is payable to the appointed Liberty accredited financial adviser at a level not exceeding that provided for in the regulations to the Long-term Insurance Act. This amount is recovered on an ongoing basis.
- Where the scheme is being established for the first time, and is not transferring from another administrator, a further once-off introductory commission is payable to the appointed Liberty accredited financial adviser at a level not exceeding that provided for in the regulations to the Long-term Insurance Act. This amount is recovered over a 5-year period.
- If the appointed financial adviser is a full-time representative of Liberty, or a principal of a Liberty franchise, the financial adviser may receive other benefits from Liberty in lieu of, or in addition to, the commission described above.
- Commission payment scales are revised by regulators from time to time. When this occurs, revised sales related charges will be applied to the scheme from its next anniversary or rate review date as applicable.

Governance Levy
These fees generally relate to the costs incurred in respect of governance of the scheme and include, where applicable:

- Trustee costs
- Principal officer costs
- Fidelity guarantee insurance premiums
- Preparation of financial statements and financial reporting
- Accounting costs
- Auditor costs
- Other fees as authorised by the Trustees from time to time.

Other statutory charges
This relates to other statutory charges, such as charges and levies imposed by the Financial Services Board (FSB) and other statutory levies which may be imposed. On the termination of a scheme, while Liberty Corporate charges no fees, certain statutory charges will apply. These include FSB levies and liquidation costs where applicable.

Variation of Management Fee
Please note that the management fees are directly related to scheme membership and benefits and therefore may vary in Rand value from month to month as these factors fluctuate.

4.2 Governance Levy and other statutory charges
In addition to the management fees, there are other fees which are applicable that are separately accounted for. These fees will be deducted proportionally, as they fall due, from each member’s share of fund.

4.3 Investment management fees
Asset managers levy a fee directly against the invested assets for their services, prior to investment returns being declared. These fees vary from manager to manager. Please refer to the Corporate Selection Investment Portfolios brochure.

Umbrella Investment Portfolios
Please refer to the “Investment portfolio charges for Corporate Selection Umbrella Funds” brochure for a listing of the fee scales applicable to the Corporate Selection Umbrella Funds.
4.4 Insured benefit costs Aggregate Costed Schemes
Risk premiums are calculated for each member within a single scheme, based on each individual member’s risk factors (age, gender, salary, etc). However, the individual premium for each benefit is added together per member category and is then expressed as a rate per amount of benefit cover. To calculate each member’s cost for a particular benefit, this rate is multiplied by the member’s benefit amount.

This method of costing is also known as aggregate costing and it is important to note that there is cross subsidisation across members. This means that the members in each category all pay an average rate instead of individual rates.

This costing method is the default for Liberty Corporate.

Exact Costed Schemes
This method of costing will calculate the risk premium attributable to each individual member. This cost will depend on the member’s selected cover as well as his/her age and individual circumstances. Every member in the scheme is then levied their own premium.

Under both arrangements, the scheme’s actual claims experience will be taken into account at the annual revision as long as the membership continues to exceed 200. For schemes that exceed 200 members, the rates quoted are provisional and will be adjusted to take the past claims experience of the scheme into account.

4.5 Revision of management fees and insured benefit costs
The basis used for calculating management fees, as well as insured benefit costs, is reviewed annually. However, Liberty Corporate may revise these fees and costs more frequently if necessary, giving all affected clients notice in line with the current policy provisions.

4.6 Net amount for investment
The net amount that will become available for investment each month is calculated as follows:

Gross contributions received, less:
• Insured benefit costs
• Management fees
• Initial fees levied on new money placed with investment managers
• Upfront asset swap fees

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
www.libertycorporate.co.za

Complaints
Complaints or comments should be directed in writing to:

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

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

For complaints regarding a financial adviser:
FAIS Ombud
P O Box 7457, Lynnwood Ridge, 0040
t: 012 470 5080
f: 012 348 3447
e: info@faisombud.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.

Net amount for investment
The net amount that will become available for investment each month is calculated as follows:

Gross contributions received, less:
• Insured benefit costs
• Management fees
• Initial fees levied on new money placed with investment managers
• Upfront asset swap fees
Benefit Parameters
“Price ain’t merely about numbers. It’s a satisfying sacrifice.”

- Toba Beta

Master of Stupidity
Benefit Parameters

The following installation criteria, exclusions, terms and conditions and benefit parameters apply to all our Corporate Selection products:

- Corporate Selection Retirement Umbrella Fund
- Corporate Selection Unapproved Group Life Plan
- Corporate Insured Series Plan
- Corporate Selection Income Protection Plan

Table with Product Set outlined below:

<table>
<thead>
<tr>
<th>Tax Status</th>
<th>Product &amp; Benefits</th>
<th>Corporate Selection Umbrella Fund</th>
<th>Corporate Select Unapproved Group Life</th>
<th>Corporate Insured Series</th>
<th>Corporate Selection Income Protection Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved</td>
<td>Group Life</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Spouse &amp; Child Pensions</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital Disability</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unapproved</td>
<td>Group Life</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital Disability</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Income Disability</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td></td>
<td>Critical Illness</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Family Funeral</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Educator</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Spouse Death</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Spouse Disability</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accidental Death</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accidental Disability</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Insured benefits may be provided in two ways:

- As part of the registered and approved retirement fund (approved benefits).
- As part of a separate insured benefit (unapproved benefits).
- A combination of the above

The difference between approved and unapproved benefits:

**Approved funds or benefits:**

- Only approved retirement funds may offer approved benefits.
- Section 4 of the Pension Funds Act requires all retirement funds be registered with the Registrar of Pension Funds. To ensure that the employer and members of the retirement fund can make use of the tax concessions provided in the Income Tax Act, pension and provident funds rules must be approved by the South African Revenue Service (SARS).
- This has significant implications both for employers and employees specifically in relation to income tax.

**Unapproved funds or benefits**

- These are funds which have not been approved by the South African Revenue Service (SARS).
- There are no tax concessions available to members of these arrangements.
Installation criteria

The following criteria must be met:

1. Inclusively-costed plans

<table>
<thead>
<tr>
<th>Level</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme level</td>
<td>• A minimum total contribution of R85 000 per annum.</td>
</tr>
<tr>
<td></td>
<td>• Employers must contribute at least 50% of these contributions.</td>
</tr>
<tr>
<td>Member category level</td>
<td>• At least 60% of contributions must be invested for retirement purposes.</td>
</tr>
<tr>
<td></td>
<td>• The balance must be allocated to risk benefit costs and management fees.</td>
</tr>
<tr>
<td>Member level</td>
<td>• A minimum average monthly retirement contribution of R200 per member must be invested. This refers to the savings component of the contribution and excludes any risk benefit costs and management fees.</td>
</tr>
<tr>
<td></td>
<td>• After risk benefit costs and management fees have been deducted, at least 25% of the employer's contribution should be invested for retirement purposes.</td>
</tr>
</tbody>
</table>

In addition, the following minimum contribution rates are allowed:

- If no risk benefits are chosen: 6% of salary
- If some risk benefits are chosen: 10% of salary
- For salary-based schemes: A maximum employer contribution of 20% of salary.

2. Exclusively-costed plans

<table>
<thead>
<tr>
<th>Level</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme level</td>
<td>• A minimum total contribution of R65 000 per annum.</td>
</tr>
<tr>
<td></td>
<td>• At least R50 000 must be invested for retirement purposes. The balance must be allocated to risk benefit costs and management fees.</td>
</tr>
<tr>
<td>Member category level</td>
<td>• The employer contribution rate specified needs to be at least 2% of salary.</td>
</tr>
<tr>
<td>Member level</td>
<td>• A minimum average monthly retirement contribution of R200 per member must be invested. This refers to the savings component of the contribution and excludes any risk benefit costs and management fees.</td>
</tr>
</tbody>
</table>

We are unable to accept a new scheme installation for the Corporate Insured Series scheme unless the total scheme contribution is at least R14 400 per annum.
## Benefit Exclusions

The following exclusions apply to our risk benefits offered in the following products:

- Corporate Selection Retirement Umbrella fund
- Corporate Selection Unapproved Group Life Plan
- Corporate Insured Series Plan
- Corporate Selection Income Protection Plan

The relevant policy provides full details on the below-mentioned exclusions.

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Death</th>
<th>Dread disease</th>
<th>Disability (occupational and progressive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suicide (should it occur within the first 12 months of cover having commenced).</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>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).</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Any medical treatment recommended by the member’s or spouse’s medical practitioner, or any medical doctor recommended by us, which would be reasonable to expect the member or spouse to undergo, which is refused by the member or spouse.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.</td>
<td>X</td>
<td></td>
<td>X Progressive: Other than as a duly licensed commercial pilot</td>
</tr>
<tr>
<td>Exposure to risks outside of South Africa, which are not generally found, or are more severe, than corresponding risks in South Africa.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
## Benefit Exclusions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Any act of the member or spouse, which is a wilful and material violation of any law.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mental illness or impairment associated with self-inflicted injury, wilful and material violation of any law, consumption of alcohol or taking poisons or drugs.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
“Thou shalt not forget that money is only money and not character or fame.”

- Steven J. Lee

The Money Plan: Creating Personal Wealth for a Secure Future
## Benefit Exclusions

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Death</th>
<th>Dread disease</th>
<th>Disability (occupational and progressive)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Group Life Assurance</td>
<td>Living Plan</td>
<td>Capital Disability and Impairment Benefit</td>
</tr>
<tr>
<td></td>
<td>Spouse’s Death Benefit</td>
<td>Progressive Living Plan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accidental Death Benefit</td>
<td>Progressive Living Plan Plus</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Family Benefit</td>
<td></td>
<td>Income Protection Plan</td>
</tr>
<tr>
<td>Cancerous tumours if the Human Immune Deficiency Virus (HIV) is present.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>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.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Exposure to atomic energy, nuclear fission or reaction, radiation, biological or chemical hazards (whether accidental or not).</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>The member, being a pilot or aircrew by normal occupation, having his or her licence to fly withdrawn or endorsed in any way, unless the member is also considered unable to follow any other suitable occupation.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Impairment due to mental health or musculoskeletal conditions during the first two years of eligibility.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>No occupational benefit in respect of mental health conditions and back impairments will be payable for a period exceeding three years, unless we are satisfied that the condition resulting in the claim is still present.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
Benefit Conditions

Unless otherwise stated, the following conditions apply to all insured benefits.

1. Commencement of cover

Cover begins when Liberty Corporate provides written confirmation.

A stated level of cover free of evidence of health (medical-free limit) may be granted, subject to the conditions laid down in the quotation. This medical-free limit is the amount of cover granted, below which medical examinations or other evidence of health are not required. Cover exceeding the medical-free limit is subject to satisfactory evidence of insurability before Liberty Corporate will accept it.

2. Amount of cover

- A member’s initial cover for each benefit will be the full entitlement calculated according to the specifications described in the quotation. This is provided that the entitlement does not exceed the maximum amount of cover that we agree to make available from time-to-time.
- If the required medical evidence has not been submitted within 60 days of the initial request, cover will be restricted to the lower of the member’s entitlement in terms of the rules and the appropriate medical-free limit for each benefit.

For a scheme to qualify for a medical-free limit, it must have the following minimum number of members:

- For risk schemes associated with pension or provident funds: A minimum of five members.
- For risk-only funds: A minimum of 10 members.

3. Members covered

All eligible employees who qualify for membership and for whom Liberty Corporate has received sufficient information to complete the quotation process will be covered.

4. Pre-existing medical conditions

If, in the first 12 months of cover, a member makes a claim for a pre-existing medical condition which he or she received, sought or should have sought treatment for during the 12 months before cover commenced or increased, the member’s benefits will be restricted. This restriction applies if we have not received satisfactory medical evidence or notified the member of our acceptance in writing.

Employers must notify each new member of this pre-existing condition requirement and its implications. Failure by the employer to do so will not invalidate the pre-existing condition restrictions.

- Where death, disability or a dread disease result directly or indirectly from a pre-existing condition, the following restrictions apply:
  - Death: The benefit will be restricted to the member’s accepted cover, the medical-free limit (if any) or R100 000 (whichever is less).
  - Disability: Whether paid in the form of a monthly income or a lump sum (including dread disease), no benefit is payable.
Benefit Parameters

5. Absence from work

If, on the day that cover is due to commence or at any time during the 20 working days prior to that date, a member is unable to perform all normal full-time duties as a result of illness or injury, the member will not be entitled to benefit from the medical-free limit. In this instance, entitlement to cover will only apply after the member has performed all normal full-time duties for 20 consecutive working days.

6. Claims notification period

- Claims must be submitted in writing to Liberty Corporate's physical or postal address. Alternatively, claims can be submitted on Blueprint Corporate.
- Claims can also be e-mailed to lcb.customerservices@liberty.co.za or faxed to (011) 408 2158.
- We must be notified of a claim within 30 days of the event giving rise to the actual claim.
- The table below details the maximum period in which the claim documentation, per benefit category, must be submitted to us.

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Maximum submission period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Withdrawal and retirement</td>
<td>Three months</td>
</tr>
<tr>
<td>Group Life Assurance Benefit</td>
<td>12 months</td>
</tr>
<tr>
<td>Family Benefit</td>
<td>12 months</td>
</tr>
<tr>
<td>Capital Disability and Impairment Benefit</td>
<td>Three months</td>
</tr>
<tr>
<td>Dread Disease Benefit</td>
<td>Three months</td>
</tr>
<tr>
<td>Income Protection Plan</td>
<td>Six months</td>
</tr>
<tr>
<td>Educator Benefit</td>
<td>As per prevailing policy conditions and rules</td>
</tr>
</tbody>
</table>

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: lcb.contact@liberty.co.za
www.libertycorporate.co.za

Complaints
Complaints or comments should be directed in writing to:

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Liberty Corporate
P O Box 2094, Johannesburg, 2000
t: 011 408 2771
f: 011 408 4440
e: contactlcb@liberty.co.za

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e: 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.

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f: 086 693 7472
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For complaints regarding a financial adviser:
FAIS Ombud
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t: 012 470 9080
f: 012 348 3447
e: info@faisombud.co.za

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f: 021 657 5000
Sharecall: 0860 10 3236; 021 674 0951
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Capital Disability and Impairment Benefit
“The worst disability in life is a bad attitude.”

- SupaNova Slom
Capital Disability and Impairment Benefit

Our Capital Disability and Impairment Benefit is designed to provide financial security for members and their loved ones, as it pays a cash lump sum if a member becomes physically disabled or impaired due to an accident or illness. This financial security can help a member and their family adjust to a new way of life.

How does the Capital Disability and Impairment Benefit work?

- This Cover is dependent on the option selected by the employer and assessed based on the severity of the disability or impairment.
- 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 Retirement 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 becomes disabled and retires from the fund.

- A continuation option allows members to continue their cover after leaving the plan with minimal underwriting.

Understanding disability and impairment

1. Own or reasonable occupational disability
   This means incapacity arising from bodily injury, illness, disease or surgical operation resulting in a member being totally and permanently disabled and incapable of performing their current occupation’s duties, or the duties of another suitable occupation. This must take into account their education, previous training, abilities and work experience.

2. Total disability
   This means incapacity arising from bodily injury, illness, disease or surgical operation leaving a member continuously and wholly incapable of engaging in any occupation for remuneration or profit.

3. Impairment
   This means any bodily injury, illness, disease or surgical operation that has stabilised sufficiently over a period of time to allow optimal tissue repair, and is unlikely to change in spite of further medical or surgical treatment.

   The percentage of the impairment benefit is based on the Whole Person Impairment (WPI) principle, where the benefit payable depends on the severity of the impairment. WPI uses the latest American Medical Association (AMA) guidelines to evaluate permanent impairment.
Capital Disability and Impairment Benefit

Which options can employers choose from?

There are two options to choose from including:
• Occupational Capital Disability
• Progressive Capital Disability

What is the Occupational Capital Disability option?

• This option pays a cash lump sum if a member becomes permanently occupationally disabled, resulting in “own or reasonable occupational disability” or “total disability”.
• Where the impairment results in a member no longer being able to work, 100% of the benefit is payable and the member may retire due to ill-health. In this case, the member’s Group Life Assurance Benefit will be cancelled.

What is the Progressive Capital Disability option?

• This is a comprehensive disability benefit, which pays a cash lump sum if a member becomes permanently occupationally disabled, impaired or both.
• Where the impairment results in a member no longer being able to work, 100% of the benefit is payable and the member may retire due to ill-health. In this case, the member’s Group Life Assurance Benefit will be cancelled.
• In instances where the member is permanently impaired, but still able to work, the benefit payment may be staggered. Members have the ability to make multiple claims of up to 100% of the total benefit.
• These staggered claim payments do not reduce the member’s Group Life Assurance Benefit cover. However, once the member has received 100% of the benefit, the member retires due to ill-health and their Group Life Assurance Benefit will be cancelled.

How much are members covered for?

For salary-based schemes, cover may not exceed (whichever is less):
• A member’s Group Life Assurance Benefit cover.
• 10 times a member’s annual salary.
• R7.8 million. This maximum is reviewed annually.
• 2.5 times a member’s annual salary, subject to maximum of R690 000 (if taken with an income disability benefit other than the Limited Term Income Protection Plan).

For rand-based schemes, cover may not exceed:
• 100 times the total contribution made by and on behalf of the member.

When will a member’s cover end?

Cover will end if a member (whichever comes first):
• Cancels their scheme membership.
• Reaches the scheme’s Termination age, as outlined in the employer participation schedule.
• Turns 65.
• Passes away.
Is there a deferred period?
A 90 day deferred period from date of incapacity is applied before a claim is paid. We will waive this deferred period if we acknowledge that the condition is permanent prior to the expiry of the 90 days.

Who is eligible for the continuation option?
A member who leaves his Employer’s service on or before attaining age 60, who is not in claim under the policy, may under certain circumstances exercise an option in respect of all or a part of his benefit under his own personal policy.

What are the limitation and reduction of benefits?
The following table will apply if a member becomes disabled within five years of (whichever comes first):
• Turning 65.
• Reaching the plan’s Termination age, as outlined in the employer participation schedule.

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage of benefit payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>16.67%</td>
</tr>
<tr>
<td>At least one year, but less than two years</td>
<td>33.33%</td>
</tr>
<tr>
<td>At least two years, but less than three years</td>
<td>50%</td>
</tr>
<tr>
<td>At least three years, but less than four years</td>
<td>66.67%</td>
</tr>
<tr>
<td>At least four years, but less than five years</td>
<td>83.33%</td>
</tr>
<tr>
<td>Five years and more</td>
<td>100%</td>
</tr>
</tbody>
</table>

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 of the Income Tax Act.

Employers and Members are advised to seek appropriate guidance from a tax practitioner or from their appointed financial adviser.
“Disability is a matter of perception. If you can do just one thing well, you’re needed by someone.”

- Martina Navratilova
### Benefit exclusions

#### What are the exclusions?

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Capital Disability and Impairment Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
<td>x</td>
</tr>
<tr>
<td>Suicide (should it occur within the first 12 months of cover having commenced).</td>
<td></td>
</tr>
<tr>
<td>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).</td>
<td>x</td>
</tr>
<tr>
<td>Any medical treatment recommended by the member’s or spouse’s medical practitioner, or any medical doctor recommended by us, which would be reasonable to expect the member or spouse to undergo, which is refused by the member or spouse.</td>
<td>x</td>
</tr>
<tr>
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<td>x</td>
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<td></td>
</tr>
</tbody>
</table>

These exclusions above apply as at the date of the printed brochure. Please refer to the Benefit Parameters brochure for the most recent exclusions.
In addition to the exclusions contained in the previous table, a Capital Disability or Impairment Benefit shall not be payable in the event that:

- The member declines to undergo any medical treatment recommended by his own medical practitioner or by Liberty, which he could reasonably be expected to undergo and which could substantially improve or remove the disability;
- The employer has failed to provide reasonable retraining or reskilling of a member at the employer’s cost, regard being had to his education, previous training and work experience.

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 Capital Disability and Impairment Benefit product. 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) as well as in the relevant policy document.

Contact details and complaints resolution procedure

Contact us

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FAIS Ombud
P O Box 74571, Lynnwood Ridge, 0040
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| f: | 012 348 3447 |
| e: | info@faisombud.co.za |

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Dread Disease Benefit
“Embrace each challenge in your life as an opportunity for self-transformation.”

- Bernie S. Siegel
Dread Disease Benefit

Recovering from a chronic disease has a significant financial and emotional impact on any family. Our Dread Disease Benefit pays out a cash lump sum to help cover the costs associated with a member’s illness, giving them and their families the opportunity to adjust to a new way of life.

How does the Dread Disease Benefit work?

- It pays a cash lump sum if a member is diagnosed with a stated dread disease (also known as a severe or critical illness).

Which options can employers choose from?

There are three Dread Disease Benefit plans to choose from, including:
- The Living Plan
- The Progressive Living Plan
- The Progressive Living Plan Plus

These plans are offered as part of our unapproved Corporate Selection Unapproved Group Life Plan and Corporate Insured Series Plan.

What is the Living Plan?

- If a member is diagnosed with a dread disease stated on our basic classification list, it pays up to 100% of their dread disease cover.
- This is an accelerated benefit, which means that a member’s death benefit (Group Life Assurance Benefit) is reduced by the amount of the Dread Disease Benefit paid.
- This benefit must be selected alongside an unapproved Group Life Assurance Benefit.

What is the Progressive Living Plan?

- If a member is diagnosed with a dread disease stated on our comprehensive classification list, it pays up to 100% of their dread disease cover.
- This is an accelerated benefit, which means that a member’s death benefit (Group Life Assurance Benefit) is reduced by the amount of the Dread Disease Benefit paid.
- This benefit must be selected alongside an unapproved Group Life Assurance Benefit.

What is the Progressive Living Plan Plus?

- If a member is diagnosed with a dread disease stated on our comprehensive classification list, it pays up to 100% of their dread disease cover.
- This a non-accelerated benefit, which means that a member’s death benefit (Group Life Assurance Benefit) will not be reduced by the amount of the Dread Disease Benefit paid.
- Members can make multiple claims of up to 100% per dread disease category. If a member claims against any one of the dread disease categories, the amount they are covered for only reduces for that particular category. This excludes the trauma benefit, which always reinstates to 100%.
Dread Disease Benefit

How much are members covered for?

_Cover is limited to (whichever is less):_

- A member’s unapproved Group Life Assurance Benefit cover.
- Three times a member’s annual salary (for salary-based plans).
- R2.5 million (for rand-based plans).
- 30 times the total contribution made by and on behalf of a member.

When will a member’s cover end?

_Cover will end if a member (whichever comes first):_

- Leaves the plan membership.
- Ceases employment with the participating employer
- Reaches the plan’s Termination age, as outlined in the employer participation schedule.
- Turns 65.
- Passes away.
- Has received 100% of their Dread Disease Benefit claim (this excludes the Progressive Living Plan Plus).

Which dread diseases are covered?

To qualify for this benefit, the dread disease must meet the specific medical diagnosis criteria applicable to each benefit option, which is explained in detail in the policy documentation.

The following dread diseases are covered:

<table>
<thead>
<tr>
<th>Cancer and leukaemia</th>
<th>Cardiovascular system</th>
<th>Brain and cerebrovascular system</th>
<th>Organ failure</th>
<th>Aplastic anaemia</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Valvular heart disease</td>
<td>Pericardial disease</td>
<td>Renal failure</td>
<td>Renal failure</td>
</tr>
<tr>
<td>Cancer and leukaemia</td>
<td>Coronary artery disease</td>
<td>Arrhythmias</td>
<td>Respiratory failure</td>
<td>Chronic liver failure</td>
</tr>
<tr>
<td>Cancer and leukaemia</td>
<td>Myocardial infarction</td>
<td>Peripheral vascular disease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cancer and leukaemia</td>
<td>Cardiomyopathy</td>
<td>Aortic aneurysm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brain and cerebrovascular system</td>
<td>Cerebrovascular incident (stroke)</td>
<td>Progressive dementia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brain and cerebrovascular system</td>
<td>Multiple sclerosis</td>
<td>Benign brain tumour</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brain and cerebrovascular system</td>
<td>Motor neuron disease</td>
<td>Coma due to causes other than trauma</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brain and cerebrovascular system</td>
<td>Parkinson’s disease</td>
<td>Intracranial aneurysm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brain and cerebrovascular system</td>
<td>Alzheimer’s disease</td>
<td>Arterio-venous malformation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organ failure</td>
<td>Renal failure</td>
<td>Chronic liver failure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organ failure</td>
<td>Respiratory failure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aplastic anaemia</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aplastic anaemia</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gastrointestinal system</td>
<td>Inflammatory bowel disease</td>
<td>Chronic pancreatitis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Muscular dystrophy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paralysis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connective tissue disease</td>
<td>Rheumatoid arthritis</td>
<td>Systemic lupus erythematosis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss of senses</td>
<td>Loss of hearing (deafness)</td>
<td>Loss of sight (blindness)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trauma</td>
<td>Traumatic brain injury</td>
<td>Loss of (and loss of use) of limbs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trauma</td>
<td>Coma</td>
<td>Major burns</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accidental HIV</td>
<td>Occupational needle stick injury (medical or dental)</td>
<td>Rape or indecent assault</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accidental HIV</td>
<td>Practitioner or registered nurse</td>
<td>Organ transplant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accidental HIV</td>
<td></td>
<td>Blood transfusion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ASISA Critical Illness Disclosure

Our Living Plan, Progressive Living Plan and Progressive Living Plan Plus are aligned with the critical illness definitions recommended by the Association for Savings and Investments South Africa (ASISA). This ensures that the plans we offer are objective and consistent with industry standards.

In terms of ASISA's critical illness definitions, we are required to disclose our benefit payment criteria and/or levels. Below is a list of percentage payouts for the four main critical illnesses, which make up the majority of all critical illness claims.

<table>
<thead>
<tr>
<th>Living Plan severity levels and percentage of sum assured payable:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A – Most severe</strong></td>
</tr>
<tr>
<td>Heart attack</td>
</tr>
<tr>
<td>Coronary artery bypass graft</td>
</tr>
<tr>
<td>Stroke</td>
</tr>
<tr>
<td>Cancer</td>
</tr>
</tbody>
</table>

What is the Dread Disease Catch-All Benefit?

A member may qualify for the Dread Disease Catch-All Benefit if he or she suffers from a serious physical condition, which is equal to a condition that may have qualified for a 100% payout under another benefit category.

The severity of the condition must result in a Whole Person Impairment (WPI) level of at least 50% to qualify for payment under this category. The amount paid by this benefit will depend on which of the member’s bodily systems are affected and to what extent.

What are the tax implications?

As this is an unapproved benefit members may pay fringe benefit tax on the premium. The proceeds of the benefit will be paid out tax free. Employers and Members are advised to seek appropriate guidance from a tax practitioner or from their appointed financial adviser.

<table>
<thead>
<tr>
<th>Progressive Living Plan and Progressive Living Plan Plus severity levels and percentage of sum assured payable:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A – Most severe</strong></td>
</tr>
<tr>
<td>Heart attack</td>
</tr>
<tr>
<td>Coronary artery bypass graft</td>
</tr>
<tr>
<td>Stroke</td>
</tr>
<tr>
<td>Cancer</td>
</tr>
</tbody>
</table>
“It is more important to know what sort of person has a disease than to know what sort of disease a person has”

- Hippocrates
### Benefit exclusions

#### What are the exclusions?

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Living Plan</th>
<th>Living Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Suicide (should it occur within the first 12 months of cover having commenced).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>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).</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Any medical treatment recommended by the member’s or spouse’s medical practitioner, or any medical doctor recommended by us, which would be reasonable to expect the member or spouse to undergo, which is refused by the member or spouse.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.</td>
<td>X</td>
<td>Certain conditions and events only</td>
</tr>
<tr>
<td>Exposure to risks outside of South Africa, which are not generally found, or are more severe, than corresponding risks in South Africa.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>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.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>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.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>No occupational benefit in respect of mental health conditions and back impairments will be payable for a period exceeding three years, unless we are satisfied that the condition resulting in the claim is still present.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Exclusions

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Living Plan</th>
<th>Living Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Any act of the member or spouse, which is a wilful and material violation of any law.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Mental illness or impairment associated with self-inflicted injury, wilful and material violation of any law, consumption of alcohol or taking poisons or drugs.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Cancerous tumours if the Human Immune Deficiency Virus (HIV) is present.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Involvement in any riot, civil commotion (assessing 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.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Exposure to atomic energy, nuclear fission or reaction, radiation, biological or chemical hazards (whether accidental or not).</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>The member, being a pilot or aircrew by normal occupation, having his or her licence to fly withdrawn or endorsed in any way, unless the member is also considered unable to follow any other suitable occupation.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Impairment due to mental health or musculoskeletal conditions during the first two years of eligibility.</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

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

Please see the table of general exclusions listed above as part of our Benefit Parameters brochure. There are specific exclusions applicable to this benefit, which can be found on our website (www.libertycorporate.co.za) as well as in the relevant policy document. In addition to the standard pre-existing condition restrictions, benefits for the Living Plan will not be paid out if a condition or event of the same severity reoccurs when a claim has already been made to and paid by Liberty Corporate or any other insurer.

Terms and conditions

Please refer to the Benefit Parameters brochure for terms and conditions relating to the Dread Disease Benefit. This benefit will only be authorised if Liberty Corporate accepts the claim as valid.

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
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

Alternatively, complaints may be directed in writing to:
The Liberty Internal Ombudsman
P O Box 10499, Johannesburg, 2000
t: 011 408 3157
e: 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

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

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

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Educator Benefit
“Education is the most powerful weapon which you can use to change the world.”

- Nelson Mandela
Educator Benefit

Our Educator Benefit is designed to help cover the cost of education for a member’s children if they become totally and permanently disabled while employed or pass away. This benefit is payable even if the member was not the school fee paying parent.

How does the Educator Benefit work?

- This benefit is only available if our Group Life Assurance Benefit (available in Corporate Selection Unapproved Group Life Plan and Corporate Insured Series Plan) has also been selected in the same member category.
- It may be selected at a member category level to pay out if a member becomes totally and permanently disabled, or passes away, whichever is the earliest.
- Up to five child dependants may be covered per member. This includes unborn children.
- All tuition fee payments are made directly to the selected academic institution to ensure that benefits are handled fairly and appropriately.
- Supplementary allowances are paid to the child’s nominated guardian.

In relation to a MEMBER, a child means
- a natural child,
- a legally adopted child,
- a child of a Spouse of the Member or
- an unborn child, whose birth occurs within nine months of an event giving rise to a successful claim for Educator Benefits in terms of this Section, and who has been nominated for Educator Benefits prior to attaining the age of 23 years.

Which options can employers choose from?

Employers can choose from two options:
- Foundation Educator
- Progressive Educator

Must employers provide details of a member’s child dependants?

With us, employers can specify and maintain child dependant details per member or alternatively, only provide these at claim stage.

The tables below illustrate this example:

### Scenario one: Employer does not specify child dependant details

<table>
<thead>
<tr>
<th>Member category</th>
<th>Chosen Educator Benefit</th>
<th>Child dependant details</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Foundation Educator</td>
<td>Not taken into account if provided</td>
</tr>
<tr>
<td>B</td>
<td>Progressive Educator</td>
<td>Not taken into account if provided</td>
</tr>
<tr>
<td>C</td>
<td>None</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

### Scenario two: Employer specifies child dependant details

<table>
<thead>
<tr>
<th>Member category</th>
<th>Chosen Educator Benefit</th>
<th>Child dependant details</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Foundation Educator</td>
<td>Required</td>
</tr>
<tr>
<td>B</td>
<td>Progressive Educator</td>
<td>Required</td>
</tr>
<tr>
<td>C</td>
<td>None</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>
# Foundation Educator

## What is the Foundation Educator?

The Foundation Educator is a cost-effective option designed to provide cover for primary and secondary (high) school tuition fees based on public (primary and secondary) schooling costs, as well as school-related expenses such as clothing and stationery.

### When will a member’s cover end (whichever comes first):

- A member cancels their membership in the plan.
- A member ceases employment with the participating employer.
- A member passes away or becomes disabled (only applicable to children who are not yet conceived).
- The member’s child passes away.
- The plan is revised before the member’s child turns 19.
- The member’s child leaves school before completing secondary (high) school.
- The member’s child completes secondary (high) school.
- The member reaches age 70 or the benefit Termination Age, as outlined in the employer participation schedule (for the death option).
- The member reaches age 65 or the benefit Termination Age, as outlined in the employer participation schedule (for the disability option).

### If a claim is in progress because a member is totally and permanently occupationally disabled or has passed away, benefit payments will be stopped (whichever comes first):

- If the member’s child passes away.
- At the end of the academic year before the member’s child turns 19.
- If the member’s child leaves school.
- If the member’s child completes secondary (high) school.

## The Foundation Educator consists of two components:

### 1. Tuition fees

We pay tuition fees based on the same standard or level as public schooling for up to five children per member. The following maximum terms apply to tuition fee payments.

<table>
<thead>
<tr>
<th>Education level</th>
<th>Maximum payment term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>Seven years</td>
</tr>
<tr>
<td>Secondary (high) school</td>
<td>Five years</td>
</tr>
</tbody>
</table>

### Tuition fee payments are limited to (whichever is less):

- 30% of the member’s pre-claim salary in the first year of claim.
- An annual amount:

<table>
<thead>
<tr>
<th>Education level</th>
<th>Annual maximum amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>R20 180</td>
</tr>
<tr>
<td>Secondary (high) school</td>
<td>R22 190</td>
</tr>
</tbody>
</table>

*Note: These maximums will be reviewed annually.*

### 2. Supplementary allowances

Supplementary allowances help cover the costs of additional expenses such as textbooks, stationery, uniforms and after-school care. These allowances are calculated annually as a percentage of the tuition fee and differ according to the education level. Supplementary allowances are limited to an annual maximum amount:

<table>
<thead>
<tr>
<th>Education level</th>
<th>Annual maximum amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>15% of annual tuition fees (up to R7 600)</td>
</tr>
<tr>
<td>Secondary (high) school</td>
<td>17.5% of annual tuition fees (up to R11 300)</td>
</tr>
</tbody>
</table>
Progressive Educator

What is the Progressive Educator?

The Progressive Educator is a more comprehensive option to help cover tuition fees and related education costs from pre-primary school to tertiary institution level.

This benefit helps cover the costs of:
• Pre-primary school (public or private)
• Primary school (public or private)
• Secondary (high) school (public or private)
• Special needs schooling
• Tertiary institutions and institutions for higher learning recognised by the National Qualifications Framework (NQF)
• International tertiary institution education
• Expenses related to items such as school clothes and stationery

When will a member’s cover end (whichever comes first):
• A member cancels their membership in the plan.
• A member passes away or becomes disabled (only applicable to children who are not yet conceived).
• The member’s child passes away.
• The member reaches the scheme’s retirement age.
• The scheme is revised before the member’s child turns 25.
• The member’s child leaves the academic institution (other than for a period of two years after completing secondary (high) school, and prior to starting his or her studies at a tertiary institution).
• The member reaches age 70 or the benefit Termination Age, as outlined in the employer participation schedule (for the death option)
• The member reaches age 65 or the benefit Termination Age, as outlined in the employer participation schedule (for the disability option)

If a claim is in progress because a member is totally and permanently disabled or has passed away, benefit payments will be stopped (whichever comes first):
• If the member’s child passes away.
• At the end of the academic year before the member’s child turns 25.
• If the member’s child leaves the academic institution (other than for a period of two years after completing secondary (high) school, and prior to starting his or her studies at a tertiary institution).

The Progressive Educator consists of five components:

1. Tuition fees
We make tuition fee payments based on the following criteria:
• The same standard or level of schooling as the child was receiving prior to the member’s occupational disability or passing (i.e. public or private schooling).
• NQF recognition (in the case of tertiary institutions)
• One undergraduate degree from a South African tertiary institution, or one of the listed international tertiary institutions.

The following maximum terms apply to tuition fee payments:

<table>
<thead>
<tr>
<th>Education level</th>
<th>Maximum payment term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-primary school</td>
<td>One year</td>
</tr>
<tr>
<td>Primary school</td>
<td>Seven years</td>
</tr>
<tr>
<td>Secondary (high) school</td>
<td>Five years</td>
</tr>
<tr>
<td>Tertiary institution (Degree or Diploma)</td>
<td>Three years</td>
</tr>
<tr>
<td>Tertiary institution (BDS Dental)</td>
<td>Five years</td>
</tr>
<tr>
<td>Tertiary institution (MBChB Medical)</td>
<td>Six years</td>
</tr>
</tbody>
</table>

Tuition fee payments are limited to (whichever is less):
• 30% of the member’s pre-claim salary in the first year of claim.
• An annual amount:

<table>
<thead>
<tr>
<th>Education level</th>
<th>Annual maximum amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-primary school</td>
<td>R9 590</td>
</tr>
<tr>
<td>Primary school</td>
<td>R20 180</td>
</tr>
<tr>
<td>Secondary (high) school</td>
<td>R22 190</td>
</tr>
<tr>
<td>Tertiary institution</td>
<td>R46 240</td>
</tr>
</tbody>
</table>

Note: These maximums will be reviewed annually.
“The task of the modern educator is not to cut down jungles, but to irrigate deserts.”

- C.S. Lewis
2. Supplementary allowances

Supplementary allowances help cover the costs of additional expenses such as textbooks, stationery, uniforms and after-school care. In the case of tertiary education, it also helps cover residence fees.

Amounts are calculated annually as a percentage of the tuition benefit and differ according to the level of education. Supplementary allowances are limited to an annual maximum amount:

<table>
<thead>
<tr>
<th>Education level</th>
<th>Annual maximum amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>15% of annual tuition fees (up to R7 600)</td>
</tr>
<tr>
<td>Secondary (high) school</td>
<td>17.5% of annual tuition fees (up to R11 300)</td>
</tr>
<tr>
<td>Tertiary education</td>
<td>As required for textbooks and residence fees (up to R27 700)</td>
</tr>
</tbody>
</table>

Please note that these supplementary allowances apply to public and private schooling. Where a child attends a “no fees school” supplementary allowances will still be paid.

3. Special needs

We recognise that there are extra costs related to educating children who have special needs. We therefore provide an additional benefit to help cover the costs related to a child’s special learning, behavioural or physical requirements. A medical assessment is not required as the benefit is based on the child attending a school that has been identified as providing for special education needs.

Tuition fee payments for children with special needs are made directly the academic institution, and are limited to (whichever is less):

- The actual negotiated cost. Special education needs vary from one child to another; which means that costs vary too. There is a rand limit to how much a child is covered for, but it is also important to cover as much of the child’s special education costs as possible. A balance between the funds available and the child’s education has to be met, which requires negotiation.
- Up to 140% of the annual standard tuition fees for public or private schooling, depending on the corresponding nature of the special needs educational institution.

4. Achievement allowances

This benefit is paid to children who excel in a sporting or cultural activity and are selected to represent their province or country (South Africa). It may be used to pay for additional costs typically associated with performing at these levels, including travel and accommodation.

The special achievement allowance depends on the level of achievement. Where provincial and national representation are achieved during the same year, the payment will not exceed the amount payable for national representation. Payment is made directly to the child in the year of achievement.

<table>
<thead>
<tr>
<th>Representation</th>
<th>Annual maximum amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provincial</td>
<td>R7 600</td>
</tr>
<tr>
<td>National</td>
<td>R15 100</td>
</tr>
</tbody>
</table>

5. International study

For children who meet the necessary entry requirements, this benefit helps cover tuition and residence fees at leading tertiary institutions in the United States and United Kingdom. Amounts are determined by the prevailing exchange rate and are paid directly into the child’s South African bank account.
**Progressive Educator**

*Cover is limited to:*
- One undergraduate degree (either in South Africa or abroad).
- Annual tuition and residence fees up to US$55,490. (reviewed annually)
- Tuition at selected leading tertiary institutions abroad including:

<table>
<thead>
<tr>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brown University</td>
</tr>
<tr>
<td>California Institute of Technology (CIT)</td>
</tr>
<tr>
<td>Columbia University</td>
</tr>
<tr>
<td>Cornell University</td>
</tr>
<tr>
<td>Dartmouth College</td>
</tr>
<tr>
<td>Duke University</td>
</tr>
<tr>
<td>Harvard University</td>
</tr>
<tr>
<td>Imperial College of Science, Technology and Medicine</td>
</tr>
<tr>
<td>Johns Hopkins University</td>
</tr>
<tr>
<td>London School of Economics and Political Science</td>
</tr>
<tr>
<td>Massachusetts Institute of Technology (MIT)</td>
</tr>
<tr>
<td>Northwestern University</td>
</tr>
<tr>
<td>Rice University</td>
</tr>
<tr>
<td>Princeton University</td>
</tr>
<tr>
<td>Stanford University</td>
</tr>
<tr>
<td>University of Cambridge</td>
</tr>
<tr>
<td>University of Chicago</td>
</tr>
<tr>
<td>University of Oxford</td>
</tr>
<tr>
<td>University of Pennsylvania</td>
</tr>
<tr>
<td>Washington University in St Louis</td>
</tr>
<tr>
<td>Yale University</td>
</tr>
</tbody>
</table>

**Benefit exclusions**

**What are the exclusions applicable to the Group Life Assurance Benefit?**

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.

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

Please see the table of exclusions listed as part of our Benefit Parameters brochure in relation to Group Life Assurance and Capital Disability and Impairment exclusions. This can be found on our website www.libertycorporate.co.za.

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Group Life Assurance Spouse’s Death Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
<td></td>
</tr>
<tr>
<td>Suicide (should it occur within the first 12 months of cover having commenced).</td>
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<td>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).</td>
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<td>Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.</td>
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<td>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.</td>
<td>x</td>
</tr>
<tr>
<td>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.</td>
<td>x</td>
</tr>
<tr>
<td>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.</td>
<td>x</td>
</tr>
<tr>
<td>Any act of the member or spouse, which is a wilful and material violation of any law.</td>
<td>x</td>
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<tr>
<td>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.</td>
<td>x</td>
</tr>
</tbody>
</table>
## Benefit exclusions

### What are the exclusions?

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Capital Disability and Impairment Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
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</tr>
<tr>
<td>Suicide (should it occur within the first 12 months of cover having commenced).</td>
<td></td>
</tr>
<tr>
<td>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).</td>
<td>x</td>
</tr>
<tr>
<td>Any medical treatment recommended by the member’s or spouse’s medical practitioner, or any medical doctor recommended by us, which would be reasonable to expect the member or spouse to undergo, which is refused by the member or spouse.</td>
<td>x</td>
</tr>
<tr>
<td>Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.</td>
<td>x</td>
</tr>
<tr>
<td>Exposure to risks outside of South Africa, which are not generally found, or are more severe, than corresponding risks in South Africa.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
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<td>x</td>
</tr>
<tr>
<td>No occupational benefit in respect of mental health conditions and back impairments will be payable for a period exceeding three years, unless we are satisfied that the condition resulting in the claim is still present.</td>
<td></td>
</tr>
</tbody>
</table>

### Exclusions

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<td>Any act of the member or spouse, which is a wilful and material violation of any law.</td>
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<tr>
<td>Mental illness or impairment associated with self-inflicted injury, wilful and material violation of any law, consumption of alcohol or taking poisons or drugs.</td>
<td></td>
</tr>
<tr>
<td>Cancerous tumours if the Human Immune Deficiency Virus (HIV) is present.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>x</td>
</tr>
<tr>
<td>Exposure to atomic energy, nuclear fission or reaction, radiation, biological or chemical hazards (whether accidental or not).</td>
<td>x</td>
</tr>
<tr>
<td>The member, being a pilot or aircrew by normal occupation, having his or her licence to fly withdrawn or endorsed in any way, unless the member is also considered unable to follow any other suitable occupation.</td>
<td>x</td>
</tr>
<tr>
<td>Impairment due to mental health or musculoskeletal conditions during the first two years of eligibility.</td>
<td></td>
</tr>
</tbody>
</table>

These exclusions above apply as at the date of the printed brochure. Please refer to the Benefit Parameters brochure for the most recent exclusions.
“An investment in knowledge pays the best interest.”

- Benjamin Franklin
Educator Benefit

What are the tax implications?

As this is an unapproved benefit members may pay fringe benefit tax on the premium. The proceeds of the benefit will be paid out tax free. Employers and Members are advised to seek appropriate guidance from a tax practitioner or from their appointed financial adviser.

Terms and conditions

Please refer to the **Benefit Parameters brochure** for terms and conditions relating to the Educator Benefit. This benefit will only be authorised if Liberty Corporate accepts the claim as valid.

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
www.libertycorporate.co.za

**Complaints**

Complaints or comments should be directed in writing to:

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P O Box 2094, Johannesburg, 2000
t: 011 408 2771
f: 011 408 4440
e: contactlc@liberty.co.za

Alternatively, complaints may be directed in writing to:

**The Liberty Internal Ombudsman**
P O Box 1049, Johannesburg, 2000
t: 011 408 3157
e: internalombud@liberty.co.za

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

- Anne Roiphe
Family Benefit

The days following the loss of a loved one are often the most trying for any family. Our Family Benefit pays a lump sum if a member or someone in their immediate family pass away. This lump sum can help members and their families pay for funeral costs and any other immediate expenses.

How does the Family Benefit work?

• Cover is provided for a member and their immediate family (one spouse and up to five children who are 21 and under).
• Children with mental or physical disabilities, who are fully dependent on the member, will be covered as long as the member is eligible for the Family Benefit.
• A claim can be submitted up to 12 months after the death of the member or someone in their immediate family.
• This benefit is offered as part of our unapproved Corporate Selection Unapproved Group Life Plan and Corporate Insured Series Plan.

How much are members covered for?

Cover may not exceed 45 times the standard scale (below) or R45 000 for the main member.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Main member</td>
<td>R1 000</td>
</tr>
<tr>
<td>Spouse</td>
<td>R1 000</td>
</tr>
<tr>
<td>Child older than 14</td>
<td>R1 000</td>
</tr>
<tr>
<td>Child between 6 and 13</td>
<td>R500</td>
</tr>
<tr>
<td>Child younger than 6</td>
<td>R250</td>
</tr>
</tbody>
</table>

This also includes cover for an unborn child or a stillbirth. However, the pregnancy must be older than 26 weeks before the foetus is considered a legal person. The stillbirth must be registered and necessary documentation should be submitted to us as proof.

Important: The term “child” refers to a natural child, a legally-adopted child or the child of a spouse. The child must be nominated in the member’s policy and must be 18 or under to qualify for cover. If the child is enrolled at a tertiary institution, he or she must be 23 or under to be eligible for cover.

Important: The term “spouse” refers to 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).
Family Benefit

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 reaches the benefit Termination Age, as outlined in the employer participation schedule
- Leaves the plan membership.
- Turns 70.
- Passes away.

Are there additional member benefits and services?

Where the Family Benefit is selected on a Corporate Selection or Corporate Insured Series Plan, the following services are offered by an external vendor contracted by us:

1. **Body repatriation**
   - This service will cover transportation of the deceased's body within South Africa to any one of the following territories. It also covers transportation of the deceased's body from any one of these countries back to South Africa.
   - Botswana
   - Lesotho
   - Mozambique
   - Namibia
   - Swaziland
   - Zimbabwe

   The above service is available to the member, their spouse and dependants (up to a maximum of four dependants), provided the deceased's body needs to be transported more than 100km.

2. **Additional services**

   Additional services include:
   - Assistance in obtaining death certificates.
   - Assistance with referrals for autopsy/pathology.
   - Consideration of religious customs.
   - Recommendation of undertaker/mortuaries.
   - Death-related legal assistance.
   - Bereavement and trauma counselling.
   - Claim administration assistance.
   - A 24-hour client and claims assistance service.
   - 15% discount on AvBOB’s or Dove’s Comprehensive Funeral Services. Discount may not exceed R2 000.

   This offer includes:
   - Transferring the deceased's body to AvBOB/Doves premises.
   - Refrigeration of and caring for the deceased's body.
   - Registration of death.
   - Writing or engraving of a name plate.
   - Provision of a coffin.
   - Supply of up to 100 funeral pamphlets.
   - Local telephone calls.
   - Placement of funeral/cremation notice in the newspaper.
   - Use of a hearse.
   - Use of a grass carpet, lowering machine, grave tents and 10 chairs.

   The applicable discount will be based on the prevailing pricing detailed in AvBOB/Doves’ price list on the date of the arrangement of the funeral.

   The above services are offered to help a member’s family as they deal with the passing and burial of a loved one. Support is offered through a call centre, which is available 24 hours a day, seven days a week.
Family Benefit

What are the tax implications?

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

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Death - Family Benefit</th>
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<tbody>
<tr>
<td>The use of nuclear, biological or chemical weapons, or attacks on, or</td>
<td>x</td>
</tr>
<tr>
<td>sabotage of, facilities and storage depots (whether direct or remotely</td>
<td></td>
</tr>
<tr>
<td>initiated), which leads to the release of radioactivity or nuclear,</td>
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</tr>
<tr>
<td>insurrection, civil commotion assuming the proportions of usurped power.</td>
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<td>x</td>
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<td>use of force or violence and/or the threat thereof, by any person or</td>
<td></td>
</tr>
<tr>
<td>group/s of persons, whether acting alone or on behalf of or in connection</td>
<td></td>
</tr>
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<td>with any organisation/s or government/s, committed for political, religious,</td>
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</tr>
<tr>
<td>ideological, or similar purposes including the intention to influence any</td>
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<td></td>
</tr>
<tr>
<td>an act of terrorism or not.</td>
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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 Family 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) as well as in the relevant policy document.

Contact details and complaints resolution procedure

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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 basis
- The 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 (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).
5 / LIBERTY CORPORATE GROUP LIFE ASSURANCE BENEFIT
Exclusions

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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) as well as in the relevant policy document.

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Income Protection Plan
“The only limit to our realisation of tomorrow will be our doubts of today.”

- Franklin D. Roosevelt
Income Protection Plan

Our Income Protection Plan provides members and their families with reliable financial security if they are unable to work due to serious illness or injury by providing them with a monthly income over a certain period of time.

How does the Income Protection Plan work?

- It pays a monthly income for the disabled member. The amount paid is based on the plan salary as defined in the Employer policy schedule.
- The first payment will be made after the deferred period selected on the plan has passed. The deferred period is defined as the period of time between when a member becomes disabled and the date on which they receive their first monthly income payment.
- Disabled members may choose to increase their monthly income annually at the lower of the selected escalation rate and the rate of inflation (Consumer Price Index) on the escalation date. The escalation date is the annual anniversary of the date of disability.
- All benefits are offered as a stand-alone, unapproved benefit on our Corporate Selection Income Protection Plan.
- The main benefit, waivers and other optional benefits are paid to the Employer, or to a retirement funding vehicle or medical aid scheme as the case may be.
- A continuation option allows members to continue their cover after leaving the plan with minimal underwriting. Members who have or are receiving a monthly income benefit are not eligible for the continuation option.

Which options can employers choose from?

There are three options to choose from:
- Reducing Income Protection Plan
- Level Income Protection Plan
- Limited Term Income Protection Plan

### ASSESSMENT OPTIONS

<table>
<thead>
<tr>
<th>Payment Pattern</th>
<th>Occupational</th>
<th>Progressive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Reducing</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Limited</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Important: Reducing and Level Income Protection Plans offer escalation options. An escalation option is not offered on the Limited Term Income Protection Plan.

What is a Level Income Protection Plan?

An income equal to a percentage of the plan salary is payable as long as the member meets the disability definition contained in this brochure and policy document. This payment is subject to a maximum of R175,000 per month. This maximum will be reviewed annually.

What is a Reducing Income Protection Plan?

An income that may be as high as 100% of the plan salary is paid for two years. After two years, the replacement ratio of 100% reduces to a percentage of the plan salary determined by your employer. This payment for the first two years is subject to a maximum of R17,000 per month. This maximum is reviewed annually.

What is a Limited Term Income Protection Plan?

This pays an income equal to a percentage of the plan salary for a maximum of two years. This option is subject to a three-month deferred period, which is included in the period of payment. It can be combined with a Capital Disability Benefit, which is payable two years after the date of disability. This payment is subject to a maximum of R175,000 per month. This maximum is reviewed annually.

ASSESSMENT OPTIONS
Income Protection Plan

Which assessment options are available?

Benefits payable can be assessed based on occupation (occupational) or severity of impairment (progressive)

1. Occupational assessment
Occupational assessment covers a member against the risk of becoming temporarily or permanently occupationally disabled in terms of the “own occupation disability” definition below.

2. Progressive assessment
Progressive assessment covers a member against the risk of becoming temporarily or permanently occupationally disabled in terms of the “own occupation disability” definition below or the risk of permanent impairment.

When will a member’s insurance cover terminate?

Cover will terminate when (whichever comes first):

- The employer participation is cancelled
- The member leaves the employer
- The member leaves the eligible benefit category
- The member reaches the benefit Termination Age, as outlined in the employer participation schedule
- The member reaches the age of 65

When will a member’s benefit terminate?

Where a member is receiving an income disability benefit in terms of the plan this benefit will terminate when (whichever comes first):

- The member recovers and is no longer occupationally disabled
- The member dies
- The member reaches the benefit Termination Age, as outlined in the employer participation schedule
- The member reaches the age of 65
- The member has claimed for 24 months on the Limited Term payment pattern
- The member has claimed for a partial impairment for 24 months
- The member leaves the employer while receiving a partial impairment benefit
Disability and Impairment

Understanding disability and impairment

*Own occupation disability*

This is when an employee becomes “functionally impaired”. This means that the employee is unable to continuously fulfil his or her duties of employment for the entire deferred period and for 24 months thereafter due to an accident, disease, illness or injury. It also covers instances where an employee becomes totally and permanently disabled and is not able to perform his or her normal duties of employment or any other job that he or she could reasonably be expected to do (taking into account their education, previous training, abilities, work experience and any rehabilitation programme).

Where a Progressive Income Plan is in force, the percentage that an employee will receive as a benefit is based on the Whole Person Impairment (WPI) principle. The benefit payable depends on the severity of the impairment. WPI uses the latest American Medical Association (AMA) guidelines to evaluate an employee’s impairment.

*Total disability*

This is when an employee becomes “functionally impaired”. This means that the employee is unable to continuously fulfil his or her duties of employment for the entire deferred period due to an accident, disease, illness or injury and thereafter to be totally disabled and incapable of performing the duties of any occupation for remuneration or profit.

Where a Progressive Income Plan is in force, the percentage that an employee will receive as a benefit is based on the Whole Person Impairment (WPI) principle. The benefit payable depends on the severity of the impairment. WPI uses the latest American Medical Association (AMA) guidelines to evaluate an employee’s impairment. In this instance, the term “total” applies where WPI is at least 55%.

*Impairment*

This means the loss, loss of use, or derangement of any body part, organ system or organ function. Permanent impairment means that further recovery of any bodily injury, illness, disease or surgical operation is not expected in the future, and is unlikely to change in spite of further medical or surgical treatment.

*Aggregation (over insurance)*

Disability insurance provides a person with insurance against the loss of his/her earning capacity. It is important that the individual is not better off financially if they claim under their policy as by offering excessive benefits, an incentive to claim could be created. Therefore the right balance is needed between providing appropriate pay-out levels and avoid creating incentives for individuals to become disabled and avoid returning to work.
Waivers

Which additional options are available?

1. Contribution and Premium Waiver
The Contribution and Premium Waiver is designed to cover the employer’s retirement contribution and risk benefit premiums. Employers can select a percentage of the plan salary or fixed rand amount, which will escalate on the same terms as the Income Protection Plan. The employer will use this amount to cover its retirement contributions and risk benefit premiums for the disabled member. This means that if a member claims for occupational disability, the employer’s retirement contributions and risk premiums will carry on as if recurring contributions and any contractual escalations were to continue being paid.

- The retirement fund contributions are payable as long as the main benefit is being paid and there is a retirement funding vehicle that the member is eligible to contribute to.
- The risk premiums are paid as long as the main benefit is being paid and the member is still eligible to contribute to the original risk benefit scheme.

The contribution waiver may not exceed (whichever is less).
  - the specified waiver percentage in the employer participation schedule
  - 35% of the plan salary
  - R37,000 per month (this maximum is reviewed annually)

2. Health Premium Waiver
The Health Premium Waiver covers a member’s total medical aid contribution, provided that the member is the main member on the employer’s sponsored or subsidised medical aid scheme. The benefit is paid for a maximum of 24 months in the event of disability, as defined under the current Limited Term Income Protection Plan.

- This is paid as long as the main benefit is being paid, the number of payments has not exceeded 24 months and the member is still eligible to contribute to the original medical aid scheme.

The contribution waiver may not exceed (whichever is less).
  - the original medical aid contribution
  - R7,200 per month (this maximum is reviewed annually)

3. Income Protection Plan Plus Benefit
The Income Protection Plan Plus Benefit is an extra amount contributed to the member’s retirement fund to compensate for the loss of retirement funding – the difference between the escalation of the Income Protection Plan and the plan salary increase, which the member would have received if they had not become disabled. The Income Protection Plan Plus Benefit starts after 24 monthly disability income payments have been made, and is calculated as one-ninth of each disability income payment.

4. Income Protection Plan Payback Option
The Income Protection Plan Payback Option can be selected as part of any Income Protection Plan. It pays a lump sum to the employer once we have received and processed a member’s valid disability claim.

The benefit is calculated as the member’s total monthly disability benefits payable, multiplied by the number of months as part of the selected deferred period for the applicable Income Protection Plan. This benefit is calculated based on the main Income Protection Plan and any applicable waiver benefits.

The benefit is paid to the employer along with the first monthly income and waiver benefit payment, after the applicable deferred period has expired and once a member’s disability claim has been accepted as valid.

The cost of this option depends on the deferred period selected (one, three, six or 12 months).
“Try not to become a man of success. Rather become a man of value.”

- Albert Einstein
**Benefit Exclusions**

The following exclusions apply to our Income Protection Plan. Please refer to the relevant Policies of Insurance for full details on the below-mentioned exclusions.

<table>
<thead>
<tr>
<th>Exclusions: Income Protection Plan</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
<td>X</td>
</tr>
<tr>
<td>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).</td>
<td></td>
</tr>
<tr>
<td>Any medical treatment recommended by the member’s or spouse’s medical practitioner, or any medical doctor recommended by us, which would be reasonable to expect the member or spouse to undergo, which is refused by the member or spouse.</td>
<td>X</td>
</tr>
<tr>
<td>Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td>X</td>
</tr>
<tr>
<td>Exposure to atomic energy, nuclear fission or reaction, radiation, biological or chemical hazards (whether accidental or not).</td>
<td>X</td>
</tr>
<tr>
<td>The member, being a pilot or aircrew by normal occupation, having his or her licence to fly withdrawn or endorsed in any way, unless the member is also considered unable to follow any other suitable occupation.</td>
<td>X</td>
</tr>
<tr>
<td>Impairment due to mental health or musculoskeletal conditions during the first two years of eligibility.</td>
<td>X</td>
</tr>
<tr>
<td>No occupational benefit in respect of mental health conditions and back impairments will be payable for a period exceeding three years, unless we are satisfied that the condition resulting in the claim is still present.</td>
<td>X</td>
</tr>
</tbody>
</table>

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

Tax Implications

As from 1 March 2015 there are changes to the Income Tax Act which affects this type of product as follows:

• If these premiums are paid by the employer on behalf on the employee, the premiums will continue to be taxed as fringe benefits in the hands of the employee
• These premiums will no longer be deductible from the employee’s income. The employee will effectively be taxed on the value of the fringe benefit
• All benefit payments from these policies will be tax free
• The employer’s ability to claim a corporate tax deduction for premiums paid on behalf of the employee remains unaffected

Terms and conditions

Please refer to the Benefit Parameters brochure for terms and conditions relating to the Income Protection Plan. A quotation for cover contains all details relating to waiting periods, escalation rates and their associated charges (please see the Summary of Benefits section). This benefit will only be granted if Liberty Corporate accepts the claim as valid.
“Life is like one big blueprint, if you don’t make plans then your future will not be built”

- Rea Hayman
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
www.libertycorporate.co.za

Complaints
Complaints or comments should be directed in writing to:

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

The Ombudsman for Long-term Insurance
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Sharecall: 0860 10 3236, 021 674 0951
e: info@ombud.co.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

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Alternatively, complaints may be directed in writing to:
The Liberty Internal Ombudsman
P O Box 10499, Johannesburg, 2000
t: 011 408 3157
e: internalombud@liberty.co.za
Spouse's and Children's Pension Benefit
“Mostly it is loss which teaches us about the worth of things.”

- Arthur Schopenhauer

*Parerga and Paralipomena*
Spouse’s and Children’s 
Pension 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 Spouse’s and Children’s Pension Benefit provides life cover, which pays out in the form of an annuity to a member’s loved ones if they pass away.

How does the Spouse’s and Children’s Pension Benefit work?

• This is an approved benefit, which may be offered to stand-alone pension or provident funds, or elected on the Corporate Selection Umbrella retirement fund.
• The amount of cover may vary for different membership categories and will escalate annually at a chosen rate.
• The Spouse’s Pension Benefit and the Children’s Pension Benefit may be offered to members separately. Alternatively, they may be offered together.

How much are members covered for?

Cover is limited to a maximum of one spouse and four children. The combined claim for the Spouse’s and Children’s Pension Benefit may not exceed 100% of the member’s fund salary.

What is the Spouse’s Pension Benefit?

The Spouse’s Pension Benefit provides a monthly pension payable for life to the member’s surviving spouse. This is in addition to the lump sum paid if a member passes away and the Group Life Assurance Benefit has been selected. The amount of cover may vary for different membership categories and will escalate annually at a chosen rate.

Definition of a spouse:

The definition of a spouse is strictly applied as someone who is the member’s permanent life partner, spouse or civil union partner in accordance with:

• The Civil Union Act, 2006 (Act No. 17 of 2006).
• The tenets of a religion.

Where polygamy is practiced in a legal marriage, the term spouse means the surviving spouses collectively. Any benefit due to a spouse will then be split equally between the member’s surviving spouses.

Maximum cover:

• The benefit is paid from the date of the member’s death until the spouse passes away.
• The combined claim for the Spouse’s and Children’s Pension Benefit may not exceed 100% of the member’s fund salary.
Children’s Pension Benefit

What is the Children’s Pension Benefit?

The Children’s Pension Benefit is a monthly pension, which is payable until the maximum age of a qualifying child. The maximum age may be chosen as 18 or 21. The maximum age will increase to 23 where a child is enrolled as a full-time student at a recognised tertiary institution at the date of the member’s death. The amount of cover may vary for different membership categories and will escalate annually at a chosen rate.

**Definition of a child:**

The definition of a child is strictly applied as set out below or as per the Rules of the Fund.

A child in relation to a member, means:

- A natural child.
- A legally adopted child.
- A member’s spouse’s child.

Who:

- Is not yet married.
- Has not yet turned 23 (or 25 if totally dependent on the member as a result of a physical or mental disability).

An unborn child, who is born within nine months of a member’s passing, is also covered under this definition.

Maximum cover:

- A maximum of four children can be covered as part of this benefit.
- The combined claim for the Spouse’s and Children’s Pension Benefit may not exceed 100% of the member’s fund salary.

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 scheme, the benefit payable will also be treated as if it were a pre-existing condition and certain restrictions will apply.

When will the cover end?

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

- The member leaves the employer
- 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.

What are the exclusions?

Please see the table of exclusions listed as part of our Benefit Parameters brochure, which can be found on our website (www.libertycorporate.co.za).

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Group Life Assurance Spouse’s Death Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury that is self-inflicted or in any way deliberately caused by the member or spouse.</td>
<td></td>
</tr>
<tr>
<td>Suicide (should it occur within the first 12 months of cover having commenced).</td>
<td>X</td>
</tr>
<tr>
<td>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).</td>
<td></td>
</tr>
<tr>
<td>Participation in any form of aviation other than as a passenger travelling between two airfields in an aircraft flown by a duly licensed pilot.</td>
<td></td>
</tr>
</tbody>
</table>
**Benefit exclusions**

What are the exclusions?

<table>
<thead>
<tr>
<th>Exclusions</th>
<th>Group Life Assurance</th>
<th>Spouse’s Death Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>The use of nuclear, biological or chemical weapons, or attacks on, or</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>sabotage of, facilities and storage depots (whether direct or remotely</td>
<td></td>
<td></td>
</tr>
<tr>
<td>initiated), which leads to the release of radioactivity or nuclear,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>biological or chemical warfare agents.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>War, invasion, acts of foreign enemies, hostilities, warlike operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(whether war be declared or not), civil war, rebellion, revolution,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>insurrection, civil commotion assuming the proportions of usurped</td>
<td></td>
<td></td>
</tr>
<tr>
<td>power.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>An act of terrorism. Meaning an act including, but not limited to,</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>the use of force or violence and/or the threat thereof, by any person</td>
<td></td>
<td></td>
</tr>
<tr>
<td>or group/s of persons, whether acting alone or on behalf of or in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>connection with any organisation/s or government/s, committed for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>political, religious, ideological, or similar purposes including the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>intention to influence any government and/or to put the public, or any</td>
<td></td>
<td></td>
</tr>
<tr>
<td>section of the public, in fear, whether determined in terms of any</td>
<td></td>
<td></td>
</tr>
<tr>
<td>relevant legislation to have been an act of terrorism or not.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Any act of the member or spouse, which is a willful and material</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>violation of any law.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involvement in any riot, civil commotion (assuming the proportions of</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>or amounting to an uprising or not), infringement of martial law, or any</td>
<td></td>
<td></td>
</tr>
<tr>
<td>act incidental to, or arising from, such an occurrence.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 Spouses and Childrens Pension 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) 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
- www.libertycorporate.co.za

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- f: 086 693 7472
- e: enquiries-jhb@pfa.org.za

**Ombudsman for Long-term Insurance**
- The Honourable Mr Justice RP McLaren
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- t: 021 657 5000
- Sharecall: 0860 10 3236; 021 674 0951
- e: info@ombud.co.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

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Taxation at a Glance
Taxation at a Glance

The following tables are designed to provide a guide to tax concessions and deductions in respect of retirement schemes.

**Contributions:**

<table>
<thead>
<tr>
<th>Employee</th>
<th>Pension Scheme</th>
<th>Provident Scheme</th>
</tr>
</thead>
</table>
| Section 11(k) of the Income Tax Act | 1. The deduction allowed is the greater of:  
   a. 750% of remuneration derived from retirement funding income, or  
   b. R1 750 per annum  
   2. Additional contributions up to R1 800 per annum. | Member contributions are not tax deductible. |

**Employer**

<table>
<thead>
<tr>
<th>Retirement funding contribution deductible from taxable income:</th>
<th>Second Schedule to the Income Tax Act - paragraph 5(2)</th>
</tr>
</thead>
</table>
| 1. Maximum of 10% of the employee's approved remuneration in respect of pension and provident schemes and medical aid schemes is deductible on a cumulative basis.  
2. In practice, SARS allows a cumulative deduction up to 20%.  
3. SARS may allow single premiums to be spread over a few years or deducted as a lump sum. | 1. Tax free amount is a flat R 500 000 applicable once off on sum of all lump sums due on retirement, plus  
2. Member’s own contributions not previously allowed as a deduction, plus  
3. Contributions made to a public sector fund, if applicable, on or before 1 March 1998, less  
4. Any tax-free benefits previously received from other approved schemes on or after 1 March 2009. |

**Tax-free Portion of Lump Sum Benefits:**

<table>
<thead>
<tr>
<th>On Retirement</th>
<th>Second Schedule to the Income Tax Act - paragraph 5(2)</th>
</tr>
</thead>
</table>
| 1. Tax free amount is a flat R 500 000 applicable once off on sum of all lump sums due on retirement, plus  
2. Member’s own contributions not previously allowed as a deduction, plus  
3. Contributions made to a public sector fund, if applicable, on or before 1 March 1998, less  
4. Any tax-free benefits previously received from other approved schemes on or after 1 March 2009. |  |
Notes:

1. Annuities (pensions) are taxed as income, at the member’s marginal rate.
2. On retirement, death or withdrawal; any lump sum in excess of the tax-free portion will be taxed at the rates described in the table below.
3. Please note that all lump sums accruing to the member on or after 1 March 2009 will be aggregated for the purpose of determining tax free and taxable amounts.

### Taxation at a Glance

#### Employee

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 500 000</td>
<td>Tax free</td>
</tr>
<tr>
<td>R 500 001 - R 700 000</td>
<td>18%</td>
</tr>
<tr>
<td>R 700 001 - R 1050 000</td>
<td>27%</td>
</tr>
<tr>
<td>R 1050 001 and above</td>
<td>36%</td>
</tr>
</tbody>
</table>

No Rebates will be allowed when taxing the lump sum.

#### Tax rates for Pension and Provident Scheme lump sums on withdrawal

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 25 000</td>
<td>Tax free</td>
</tr>
<tr>
<td>R 25 001 - R 660 000</td>
<td>18%</td>
</tr>
<tr>
<td>R 660 001 - R 990 000</td>
<td>27%</td>
</tr>
<tr>
<td>R 990 001 and above</td>
<td>36%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 500 000</td>
<td>Tax free</td>
</tr>
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<td>R 500 001 - R 700 000</td>
<td>18%</td>
</tr>
<tr>
<td>R 700 001 - R 1050 000</td>
<td>27%</td>
</tr>
<tr>
<td>R 1050 001 and above</td>
<td>36%</td>
</tr>
</tbody>
</table>

Tax rates for Pension and Provident Scheme lump sums on retirement or death.

### Contact details and complaints resolution procedure

#### Contact us

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| e: lc.contact@liberty.co.za |
| www.libertycorporate.co.za |

#### Complaints

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#### 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 |

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#### Approved

<table>
<thead>
<tr>
<th>EMPLOYEE</th>
<th>NO TAX RELIEF AVAILABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treated as employer contributions (see principles relating to section 11(l) above)</td>
<td></td>
</tr>
</tbody>
</table>

#### Unapproved

<table>
<thead>
<tr>
<th>EMPLOYER</th>
<th>NO TAX RELIEF AVAILABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee pays fringe benefit tax on premiums paid (Seventh Schedule to Income Tax Act)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tax Relief on premiums in respect of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer may claim deductions as an operational expense in terms of section 11(w) of Income Tax Act.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tax on Benefit Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treated as a benefit paid by a pension or provident scheme (see principles above)</td>
</tr>
</tbody>
</table>

| Lump sum payments tax-free. |

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 |

### Tax Rates

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 500 000</td>
<td>Tax free</td>
</tr>
<tr>
<td>R 500 001 - R 700 000</td>
<td>18%</td>
</tr>
<tr>
<td>R 700 001 - R 1050 000</td>
<td>27%</td>
</tr>
<tr>
<td>R 1050 001 and above</td>
<td>36%</td>
</tr>
</tbody>
</table>

### Tax Rates for Pension and Provident Scheme lump sums on withdrawal

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 25 000</td>
<td>Tax free</td>
</tr>
<tr>
<td>R 25 001 - R 660 000</td>
<td>18%</td>
</tr>
<tr>
<td>R 660 001 - R 990 000</td>
<td>27%</td>
</tr>
<tr>
<td>R 990 001 and above</td>
<td>36%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First R 500 000</td>
<td>Tax free</td>
</tr>
<tr>
<td>R 500 001 - R 700 000</td>
<td>18%</td>
</tr>
<tr>
<td>R 700 001 - R 1050 000</td>
<td>27%</td>
</tr>
<tr>
<td>R 1050 001 and above</td>
<td>36%</td>
</tr>
</tbody>
</table>
Investment Portfolio
The Corporate Selection Umbrella Product aims to offer a range of investment choices, to meet the savings needs of different employers and their employees.
Corporate Selection Umbrella Product-Investment Range

The Corporate Selection Umbrella Product aims to offer a range of investment choices, to meet the savings needs of different employers and their employees.

This extended range of investment portfolios allows clients, with the help of a Liberty Corporate accredited financial adviser, to tailor their investment strategy to align to specific financial planning goals.

How is the investment offering structured?

The Corporate Selection Funds’ Investment mandates are available from the below set of investment portfolio classifications:

- The Liberty Life Stage model, which combines intelligent risk-managed portfolios into a comprehensive model to guide each investor’s risk profile according to their time to retirement.
- Balanced mandates which reflect the manager’s best investment views in different market situations, across a range of eight different investment managers, as a complement to our current House View with Global offering.
- Equity mandates, designed to be used in combination with other asset classes to create diversified mandates from eight different active managers with a range of different styles. The portfolios are therefore not Regulation 28 compliant on their own.
- Offshore mandates, from a wide variety of asset classes to permit a customised approach to the offshore investment component of the broader investment strategy.
- Income and real estate fund mandates to construct a diversified portfolio with the equity mandates and also an investment strategy in its own right.
The Life Stage offering

The Liberty Life Stage offering is Liberty Corporate’s solution to maximising pre-retirement savings, subject to acceptable risk exposure as the members approach retirement age.

It follows Liberty Corporate’s philosophy of Intelligent Investing by combining the best elements of different investment philosophies at the same time as reducing risk through dynamic hedging and smoothing of investment returns. A life staging approach is used to ensure the investments remain appropriate to the investor’s time horizon.

As members approach retirement, their ability to absorb negative changes in asset values decreases, and their need for certainty when planning for retirement increases. Life staging caters for this by allowing higher exposure to growth assets from the beginning of a member’s career, and then progressively reduces the allocation to volatile asset classes as the member approaches retirement.

The Liberty Life Stage works through two phases of retirement funding, namely a Growth and a Preservation Stage.

- The Growth phase invests into the flagship Liberty Stable Growth portfolio. This portfolio combines an aggressive strategic asset allocation with a market-leading risk-management framework, resulting in returns that are significantly smoother than the market over the short term, but that provide aggressive and consistent inflation-beating growth in the medium to long-term.
- The Preservation phase invests into the Liberty Secure Fund, a conservative absolute return portfolio, which focuses on preservation of capital in the short term, whilst targeting inflation beating growth in the medium to long term.
Balanced fund offering

Our range of balanced funds are offered to suit a wide range of risk profiles, aiming to provide a comprehensive strategy to members who prefer the advantages of expert strategic asset allocation and for investment managers to manage their investments across a broad array of asset classes.

Definitions of risk are subjective, so the below categories are only guidelines based on the usual equity exposure of the funds and their stated investment objectives.

### Aggressive balanced funds

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Annual management fee</th>
<th>External handling fee</th>
<th>Adviser portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty Stable Growth</td>
<td>0.60%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liberty Corporate Preferred Assets</td>
<td>0.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STANLIB Multi-Manager Aggressive Balanced</td>
<td>0.75%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>STANLIB Shari'ah Balanced Fund</td>
<td>0.60%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allan Gray Balanced</td>
<td>0.67%*</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Allan Gray House View with Global</td>
<td>0.90%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Coronation House View with Global</td>
<td>0.73%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Foord Balanced</td>
<td>0.57%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Investec House View with Global</td>
<td>0.61%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Investec Opportunity Fund</td>
<td>0.56%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Kagiso Balanced</td>
<td>0.96%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Nedgroup Investment Management Fund</td>
<td>1.13%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Oasis Crescent Balanced High Equity</td>
<td>1.13%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Oasis House View with Global</td>
<td>0.77%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Prudential House View with Global</td>
<td>0.71%</td>
<td>0.25%</td>
<td></td>
</tr>
</tbody>
</table>

### Moderate balanced funds

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Annual management fee</th>
<th>External handling fee</th>
<th>Adviser portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty Corporate Choice Assets</td>
<td>0.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STANLIB Multi-Manager Moderate Balanced</td>
<td>0.70%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>STANLIB Multi-Manager CPI Plus</td>
<td>0.70%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Coronation Balanced Defensive</td>
<td>1.35%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Nedgroup Investment Positive Return Fund</td>
<td>0.56%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
</tbody>
</table>

### Conservative balanced funds

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Annual management fee</th>
<th>External handling fee</th>
<th>Adviser portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty Advanced Bonus</td>
<td>0.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liberty Corporate Absolute Returns</td>
<td>0.50%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STANLIB Multi-Manager Conservative Balanced</td>
<td>0.70%</td>
<td>0.25%</td>
<td></td>
</tr>
<tr>
<td>Allan Gray Stable Fund</td>
<td>0.50%*</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* This fee excludes the Allan Gray Orbis fees
Equity fund offering

Given that equities are generally considered to be the engine rooms of growth in a portfolio, Liberty believes it is important to have a range of equity managers and styles to permit good manager choices to be made.

To this end we offer a passive solution along with various active solutions.

Equity mandates are not Regulation 28 compliant. Any choices from this list must be combined with other asset classes to ensure a compliant mix of portfolios is chosen. It is therefore essential to consult your Liberty Corporate product accredited financial adviser before selecting any combination of these investment portfolios.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Annual management fee</th>
<th>External handling fee</th>
<th>Adviser portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty ALSI Top 40 Tracker Fund</td>
<td>0.25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allan Gray Equity Fund</td>
<td>0% to 3%*</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Cannon Equity Fund</td>
<td>0.54%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Coronation Equity</td>
<td>0.50%*</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Investec Value Fund</td>
<td>0.56%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Nedgroup Investment Rainmaker Fund</td>
<td>1.24%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Prudential Equity Fund</td>
<td>0.73%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>RE: CM Flexible Equity Fund</td>
<td>0.67%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Foord Equity</td>
<td>0.67%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* This fee excludes the Allan Gray Orbis fees.

Offshore fund offering

Offshore portfolios can provide a healthy dose of diversification to an investor’s portfolio, allowing a targeted source of returns in case of a weakening rand or should foreign fundamentals and valuations look more attractive than locally.

Either way, it is a worthwhile consideration to the risk-return discussion. Offshore mandates are not generally Regulation 28 compliant. Any choices from this list must be combined with local asset classes to ensure a compliant mix of portfolios is chosen.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Annual management fee</th>
<th>External handling fee</th>
<th>Adviser portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty Corporate International Assets</td>
<td>0.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allan Gray-Orbis Global Fund of Funds</td>
<td>0.5% to 2.5%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Allan Gray-Orbis Global Equity Feeder Fund</td>
<td>0.5% to 2.5%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
<tr>
<td>Foord International Feeder Fund</td>
<td>1.24%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* This fee excludes the Allan Gray Orbis fees
Income and property fund offering

Income, money market and property funds are offered to diversify risks away from equity mandates and to provide unique investment opportunities in their own right.

Furthermore the portfolios can be used to provide a Regulation 28 compliant mix of portfolios in combination with equity portfolios. Portfolios below may not be Regulation 28 compliant. Any choices from this list may need to be combined with other asset classes to ensure a compliant mix of portfolios is chosen.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Annual management fee</th>
<th>External handling fee</th>
<th>Adviser portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty ALBI Tracker Fund</td>
<td>0.20%</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Liberty Corporate Stable Income Fund</td>
<td>0.90%</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Liberty Corporate Standard Bank Money Market</td>
<td>0.30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liberty Corporate Real Estate</td>
<td>0.40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investec Absolute Income</td>
<td>0.78%</td>
<td>0.25%</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Why does Liberty require specific product accreditation of the consultant?

It is in all members’ interests to ensure quality advice is always available on investment matters.

Certain portfolios, particularly the newer external manager range (denoted with the “Adviser portfolio” column in the tables above) require the financial adviser to the client (i.e. the participating employer) to be accredited by Liberty Corporate in order for the client to select those portfolios.

This is because the Trustees of the Corporate Selection Umbrella Funds require comfort that consultants are competent and skilled in advising on this wider range of investments. This is also to satisfy the requirement of the Financial Services Board and the Registrar of Pension Funds.

For more information on accreditation requirements or to ask any questions, please do not hesitate to contact your client service adviser or Liberty Corporate directly on 011 408 2999.
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
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

Alternatively, complaints may be directed in writing to:
The Liberty Internal Ombudsman
Liberty Corporate
P O Box 10499, Johannesburg, 2000
t: 011 408 3157
e: 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, 0003
t: 012 346 1738
f: 086 693 7472
e: 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

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
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If there are any discrepancies between this document and the contractual terms or, where applicable, any fund rules, the latter will prevail. Any recommendations made must take into consideration your special needs and unique circumstances.

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Should you require any additional information, please contact Liberty Corporate directly on +27 (011) 408 2999 or visit our head office at the Libridge, 25 Ameshoff Street, Braamfontein, Johannesburg.