VOLUNTARY CRITICAL ILLNESS BENEFIT

& QUESTIONS ANSWERS

LA RETIREMENT FUND
Formerly known as the Cape Joint Pension Fund
Securing your retirement • Verseker jou aftrede • Ukukhusela umhlala-phantsi wakho

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As a member of the LA Retirement Fund, you qualify to take out affordable critical illness cover for yourself within 3 months of joining the Fund. This voluntary benefit is provided by Momentum.

1. What is critical illness cover?

Surviving a critical illness isn't easy, but with the right cover, you can focus on recovery - instead of the medical bills. Critical illness cover offers financial protection against illnesses such as a heart attack, cancer, stroke, Alzheimer's and Parkinson's disease. It also covers injuries from accidents such as paraplegia, major burns, and brain damage.

This cover pays out a lump sum amount that you can use to pay for additional medical expenses and lifestyle adjustments.

2. Do I need critical illness cover if I have medical aid?

Consider how you will pay for extra costs not covered by your medical aid.

Advances in medical care mean that people can now survive illnesses once thought to be fatal. Although many people lead relatively normal lives after suffering a critical illness event, you may require financial assistance to cover any lifestyle changes or extra costs not covered by your medical aid.

Medical schemes provide decent cover while you're in the hospital. However, heart diseases, stroke, and cancer may leave you with a huge financial burden, even if you're on a relatively good medical aid.

3. When may I take up this benefit?

When you join the LA Retirement Fund you have a maximum of 3 months in which to take up this voluntary option. After that, you have the option to take up the cover/upgrade your cover within 3 months of one of the **specified events** listed below.

The option will apply from the 1st day of the month following receipt of the application and supporting documents. The actively at work and pre-existing conditions will also apply from the 1st of the following month date of receipt of this application.

4. What are the specified events mentioned above?

- Member's marriage.
- Birth of a member's child / legal adoption of a child by the member / member's spouse.
- Job promotion.

5. What is the amount of the benefit and how much will it cost?

This comprehensive benefit is paid as a lump sum and is based on the level of cover that you have chosen and the severity of your illness. You have a choice of one of three cover options – R100 000, R200 000 or R300 000 cover.

Cover Options	Age:
Option 1, No cover	No cover
Option 2, R100 000	Up to 65
Option 3, R200 000	Up to 65
Option 4, R300 000	Up to 65

Your monthly premium is dependent on the level of cover selected and your attained age and the age category into which you fall. Please note that your premium will increase as you get older and move into the next age band. This movement will occur on 1 July following your attainment of age 41 and 51.

Premium rates are reviewed from time to time. Please contact the Fund for the current premium rates before applying for or increasing your cover.

Your monthly premium is automatically deducted by the Fund administrator from the monthly contribution your employer makes to the Fund on your behalf. Your employer is required to levy income tax on your monthly premium. The benefit is however tax-free when paid to you.

For some of the covered conditions, advance partial payments of the total benefit may be paid where the condition is not yet severe enough to qualify for the full benefit pay out. If the condition worsens, the remainder of the benefit will be paid (refer to the severity levels A to D in the table below).

You may claim for multiple critical illnesses – i.e. if you have received a Critical Illness benefit for a condition, you may claim for another critical illness if it is unrelated to the previous claim. The only exception to this is in the case of angioplasty – members may claim twice for this.

6. How do I take out this cover?

Indicate your choice when completing the Fund's new member application form on joining the Fund or complete the option form following one of the events specified above and submit the completed form together with the supporting documents to the Fund administrator.

7. How do I claim for a benefit?

Complete a claim form and ensure that all the required medical reports and supporting documentation are attached. The claim form is available on the Fund's website under Forms. Members should submit their claim to the Fund Administrator as soon as possible after being diagnosed with a covered critical illness or experiencing a covered event. In terms of the policy, the completed claim form together with the required medical evidence must be submitted within 3 months of the diagnosis or occurrence of the critical illness. If Momentum requests any additional information, it must be provided within 6 months of the date of occurrence of the critical illness. Members who are unsure of the claim requirements or applicable time frames should contact the Fund Administrator for assistance.

8. May I continue with the cover after I am no longer a member of the LA Retirement Fund?

Yes, if you resign/are retrenched from employment before the age of 60, you may apply to convert your cover into a private policy with Momentum within 90 days of your exit from employment.

9. What are some of the important policy conditions I should be aware of when opting for the cover?

- No proof of good health is required when applying for the cover.
- Pre-existing health conditions are excluded for the first 2 years. This means that you cannot claim within the first 24 months of taking up the cover for conditions of which you were aware and for which you were treated or symptoms that you experienced during the 12 months prior to your having taken up the cover.
- The maximum age at entry is 63.
- Cover ceases at age 65.
- You may not cancel or reduce your cover. You may upgrade your cover following one of the specified events.
- If you have received a benefit of less than 100% for a critical illness/event and a while later you experience a related condition that has a higher payment level, the difference between the two benefits may be payable.
- Premiums are reviewed annually.
- To qualify for the benefit, a member must still be alive at the end of a 28-day period after having been diagnosed with a critical illness.
- If you have elected to increase your cover after one of the specified events, you must be at work attending to and capable of attending normal duties for 10 consecutive working days without absence immediately following the date that you selected or increased your cover.

10. What critical illnesses are covered?

Up to 100% of the total benefit is payable depending on the severity and type of condition. The insurer will require detailed medical reports / test results to determine the severity level.

Critical Illness	Severity A	Severity B	Severity C	Severity D
1. Accidental head injury	100%	-	-	-
2. Advanced dementia & Alzheimer's disease	100%	-	-	-
3. Angioplasty	100% (max R20 000)	-	-	-
4. Aorta graft surgery	100%	-	-	-
5. Aplastic anaemia	100%	-	-	-
6. Benign brain tumour	100%	-	-	-
7. Blindness	100%	50%	-	-
8. Cancer	100%	100%	100%	100%
9. Cardiomyopathy	100%	-	-	-
10. Coma	100%	50%	-	-
11. Coronary artery bypass graft surgery	100%	100%	100%	100%
12. Heart attack	100%	100%	100%	100%
13. Heart transplant	100%	50%	-	-
14. Heart valve surgery	100%	-	-	-
15. HIV from blood transfusion	100%	-	-	-
16. Kidney failure	100%	-	-	-
17. Loss of hearing	100%	75%	10%	-
18. Loss of limbs	100%	50%	-	-
19. Loss of speech	100%	-	-	-
20. Lupus	100%	-	-	-
21. Major organ transplant	100%	50%	-	-
22. Motor Neuron disease	100%	-	-	-
23. Multiple Sclerosis	100%	-	-	-
24. Occupationally acquired HIV	100%	-	-	-
25. Paralysis	100%	-	-	-
26. Parkinson's disease	100%	50%	-	-
27. Poliomyelitus	100%	-	-	-
28. Primary pulmonary hypertension	100%	-	-	-
29. Severe burns	100%	50%	-	-
30. Severe Crohn's disease	100%	50%	-	-
31. Severe ulcerative colitis	100%	50%	-	-
32. Stroke	100%	100%	100%	100%

To review the Voluntary Critical Illness Benefit Policy, go to our website, under Fund Management click on Policies.

Important: This brochure is intended as a summary of the Voluntary Critical Illness Benefit. The full terms, conditions, exclusions and definitions are contained in the Voluntary Critical Illness Benefit Policy and any endorsements issued. Members should refer to the policy for the complete benefit provisions. If there is any inconsistency between this brochure and the policy, the policy will apply.