



Dear All

**IMPORTANT NOTICE – RISK REVIEW/ CHANGE OF PREMIUMS**

This serves as notice of the following changes to the risk benefit multiples and premiums with effect from **1 March 2018**. Kindly ensure that your payroll is updated accordingly.

Pension Scheme Summary				
Part	Benefit	Insurer	Premium Rate	Change to payroll
Part I	Group Life	Old Mutual	0.55%	NO
Part I	Income Disability	Old Mutual	0.679%*	<b>YES – from 0.65% to 0.679%</b>
Part II	Group Life	Old Mutual	As Elected by the school: <ul style="list-style-type: none"> <li>• 0.55%</li> <li>• 1.05%</li> <li>• 1.55%</li> </ul>	NO
Part II	Income Disability	Old Mutual	0.679%*	<b>YES – from 0.65% to 0.679%</b>

*\*The benefit escalation has been amended to CPI with a maximum of 4%, in order to control the premium increase and align with policy conditions on the Provident Fund.*

**What is “benefit escalation”?**

This is how much the monthly income disability benefit payable to a disabled member will increase by annually.

Pension Scheme Benefit Structure:

ISASA PENSION SCHEME GROUP LIFE BENEFITS		
PENSION PART I (DB) – 0.55%		
Age Bands	Current Multiples	1 March 2018
Age 18-35	3.59	4.00
Age 36-40	3.08	3.40
Age 41-45	2.81	3.15
Age 46-50	2.74	3.00
Age 51-55	2.70	2.97
Age 56-60	2.65	2.92
Age 61-64	2.43	2.67
Age 65-69	1.94	2.13

<b>PENSION PART II (DC) – 0.55%</b>		
<b>Age Bands</b>	<b>Current Multiples</b>	<b>1 March 2018</b>
Age 18-35	3.44	4.00
Age 36-40	3.28	3.75
Age 41-45	3.09	3.60
Age 46-50	3.00	3.10
Age 51-55	2.68	2.80
Age 56-60	2.56	2.82
Age 61-64	2.42	2.66
Age 65-69	1.85	2.04
<b>PENSION PART II (DC) – 1.05%</b>		
<b>Age Bands</b>	<b>Current Multiples</b>	<b>1 March 2018</b>
Age 18-35	6.84	8.00
Age 36-40	6.56	7.50
Age 41-45	6.15	7.20
Age 46-50	5.96	6.10
Age 51-55	5.30	5.50
Age 56-60	4.11	4.65
Age 61-64	3.72	4.15
Age 65-69	2.77	3.05
<b>PENSION PART II (DC) – 1.55%</b>		
<b>Age Bands</b>	<b>Current Multiples</b>	<b>1 March 2018</b>
Age 18-35	10.24	11.50
Age 36-40	9.84	10.90
Age 41-45	9.22	10.20
Age 46-50	8.91	9.50
Age 51-55	7.93	8.60
Age 56-60	5.64	6.10
Age 61-64	5.04	6.00
Age 65-69	3.70	4.15

<b>FREE COVER LIMITS</b>	
<b>Current FCL</b>	<b>1 March 2018</b>
R16 000 000	R16 800 000

<b>Benefit Structure – Disability Income</b>	
Basic Benefit	75% of pensionable salary
Maximum Benefit	R165 000 p.m.
Waiting Period	3 months
Escalation	CPI to a maximum of 4%
Employer waiver	12%
Death Cover	Continues while in receipt of this benefit

<b>Provident Fund Summary</b>				
<b>Category</b>	<b>Benefit</b>	<b>Insurer</b>	<b>Premium Rate</b>	<b>Change to payroll</b>
<b>Category 1(B)</b>	Death & Lump Sum Disability	Old Mutual	1.20%	<b>NO</b>
<b>Category 1</b>	Lump Sum Disability	Old Mutual	Included in the rate of 1.20%	N/A
<b>Category 2(A)</b>	Group Life	Old Mutual	0.75%	<b>NO</b>
<b>Category 2(A)</b>	Income Disability	Old Mutual	0.924%	<b>YES - from 0.77% to 0.924%</b>

ISASA PROVIDENT FUND GROUP LIFE BENEFITS – OLD MUTUAL (OM)		
CATEGORY 1 (B) MEMBERS ONLY – DEATH BENEFITS – 1.20%		
Age Bands	Current Multiples	1 March 2018
Age 18-35	2.83	2.97
Age 36-40	2.40	2.52
Age 41-45	1.86	1.95
Age 46-50	1.96	2.06
Age 51-55	1.75	1.84
Age 56-60	1.55	1.63
Age 61-64	1.45	1.52
Age 65-70	1.66	1.74

CATEGORY 1 (B) MEMBERS ONLY – LUMP SUM DISABILITY BENEFITS		
Age Bands	Current Multiples	1 March 2018
Age 18-35	2.13	2.24
Age 36-40	1.91	2.01
Age 41-45	1.13	1.19
Age 46-50	1.55	1.63
Age 51-55	1.22	1.28
Age 56-60	0.81	0.85
Age 61-64	0.63	0.66
Age 65-69	0.00	0.00
Max Benefit	R5 000 000	R5 000 000

CATEGORY 2 (A) MEMBERS ONLY – DEATH BENEFITS – 0.75%		
Age Bands	Current Multiples	1 March 2018
Age 18-35	2.10	2.00
Age 36-40	1.91	1.82
Age 41-45	2.02	1.92
Age 46-50	2.14	2.04
Age 51-55	1.91	1.82
Age 56-60	1.76	1.68
Age 61-64	1.67	1.59
Age 65-69	1.42	1.35

FREE COVER LIMITS	
Current Rate	1 March 2018
R4 000 000	R4 000 000

ISASA PROVIDENT FUND INCOME DISABILITY BENEFITS - OLD MUTUAL (OM)	
CATEGORY A (2) ONLY	
Benefit Structure	
Basic Benefit	75% of pensionable salary
Maximum Benefit	R165 000 p.m.
Waiting Period	3 months
Escalation	CPI with a maximum of 4%
Death Cover	Continues while in receipt of this benefit
Employer waiver	12%
Free cover Limit	R120 000 benefit p.m.

The Voluntary Funeral Benefit has increased **from R16,500 to R20,000** at a premium of **R 20 per member per month**. Employees often find this to be a valuable benefit. Those who are not currently on this cover have an opportunity to opt in annually by **1 March 2018**. Should you

require any additional information on this scheme, please feel free to contact Jennifer Damane on [JDamane@oldmutual.com](mailto:JDamane@oldmutual.com).

<b>ISASA FAMILY COVER – OLD MUTUAL (OM) 93775</b>	
Primary Insured	R20 000
Insured Spouse	R20 000
Insured Child	
Aged >= 14	R20 000
Aged >= 6 but < 14	R10 000
Aged >= 2 but < 6	R5 000
Aged <2 and stillborn	R5 000

**Yours Sincerely  
The ISASA Team**