

6 February 2023

Dear All

IMPORTANT NOTICE – RISK REVIEW

This serves as notice of the following changes to the risk benefit multiples and premiums with effect from **1 March 2023**. Kindly ensure that your payroll is updated accordingly.

Pension Scheme Summary					
Part	Benefit	Insurer	Premium Rate	Change to payroll	Change in Benefit
Part I	Group Life	Old Mutual	0.55%	NO	YES
Part I & II	Income Disability	Old Mutual	1.037%	NO	NO
Part II	Group Life	Old Mutual	As Elected by the school: <ul style="list-style-type: none"> • 0.55% • 1.05% • 1.55% 	NO	Only in category 0.55%

- Please refer to the funeral benefit changes below

Pension Scheme Benefit Structure:

ISASA PENSION SCHEME GROUP LIFE BENEFITS		
PENSION PART I (DB) – 0.55%		
Age Bands	Current Multiples	1 March 2023
Age 18-35	3.66	3.66
Age 36-40	3.11	3.43
Age 41-45	2.89	3.29
Age 46-50	2.75	2.84
Age 51-55	2.72	2.72
Age 56-60	2.68	2.68
Age 61-64	2.44	2.44
Age 65-69	1.95	1.95

PENSION PART II (DC) – 0.55%		
Age Bands	Current Multiples	1 March 2023
Age 18-35	3.66	3.66
Age 36-40	3.43	3.43
Age 41-45	3.29	3.29
Age 46-50	2.84	2.84
Age 51-55	2.58	2.72
Age 56-60	2.56	2.68
Age 61-64	2.43	2.44
Age 65-69	1.87	1.95

PENSION PART II (DC) – 1.05%

Age Bands	Current Multiples	1 March 2023
Age 18-35	7.32	7.32
Age 36-40	6.87	6.87
Age 41-45	6.59	6.59
Age 46-50	5.59	5.59
Age 51-55	5.04	5.04
Age 56-60	4.25	4.25
Age 61-64	3.80	3.80
Age 65-69	2.79	2.79

PENSION PART II (DC) – 1.55%

Age Bands	Current Multiples	1 March 2023
Age 18-35	10.53	10.53
Age 36-40	9.98	9.98
Age 41-45	9.34	9.34
Age 46-50	8.70	8.70
Age 51-55	7.87	7.87
Age 56-60	6.41	6.41
Age 61-64	5.49	5.49
Age 65-69	3.80	3.80

FREE COVER LIMITS

Current FCL	1 April 2023
R18 000 000	R18 000 000

Benefit Structure – Disability Income

Premium Rate	1.037%
Basic Benefit	87% (75% of pensionable salary plus 12% Employer Waiver) The benefit may not exceed the member's total Guaranteed Package after the deduction of tax at the start of the waiting period.
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
Free Cover Limit	R136 000

Provident Fund Summary					
Category	Benefit	Insurer	Premium Rate	Change to payroll	Change to benefit
Category	Group Life	Old Mutual	0.750%	NO	NO CHANGE
Category	Income Disability	Old Mutual	1.016%	NO	NO CHANGE
ISASA PROVIDENT FUND GROUP LIFE BENEFITS – OLD MUTUAL (OM)					
MEMBERS ONLY – DEATH BENEFITS – 0.750%					
Age Bands	Current Multiples		1 April 2023		
Age 18-35	2.97		2.97		
Age 36-40	2.52		2.52		
Age 41-45	1.95		1.95		
Age 46-50	2.06		2.06		
Age 51-55	1.84		1.84		
Age 56-60	1.63		1.63		
Age 61-64	1.52		1.52		
Age 65-70	1.74		1.74		

FREE COVER LIMITS	
Current Rate	1 April 2023
R4 000 000	R4 000 000

ISASA PROVIDENT FUND INCOME DISABILITY BENEFITS - OLD MUTUAL (OM)	
Benefit Structure	
Premium Rate	1.016%
Basic Benefit	87% (75% of pensionable salary plus 12% Employer Waiver). The benefit may not exceed the member's total Guaranteed Package after the deduction of tax at the start of the waiting period.
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.

ISASA FAMILY COVER – OLD MUTUAL (OM) 93775			
		Change to payroll	Change to benefit
Primary Insured	R 24 200	NO	NO
Insured Spouse	R 24 200		
Insured Child			
Aged 14 and above	R 24 200		
Aged 6 to 13	R 12 100		
Aged 2 to 5	R 6 050		
Stillborn to 1	R 6 050		

The Voluntary Funeral Benefit stayed the same at **R24 200, the premium has been maintained at R20.65 per member per month from 1 March 2023**. 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**. Should you require any additional information on this scheme, please feel free to contact the ISASA Team on the details below:

Logie Govender	Lgovender4@oldmutual.com	065 910 9141
Mzi Nxumalo	Mnxumalo@oldmutual.com	068 570 5158
Sibu Mkiva	Smkiva@oldmutual.com	081 557 5637
Thuli Mathebola	Tmathebola@oldmutual.com	069 500 8881

Please ensure that you consult with your payroll provider to ensure that payrolls are correctly captured to reflect this change.

Inclusively- and exclusively-costed schemes

Some employers may want to pay for risk and administration costs over and above Employer contributions (exclusively-costed) while other employers want risk and administration costs included in employer contributions (inclusively-costed schemes). **Currently, all schools are treated as inclusively-costed schemes.** If this was not your intention, please contact the ISASA team to ensure that your special rules are correctly recorded.

**Yours Sincerely
The ISASA Team**