

## Franchise Plus

### Operational Procedures Document



#### Purpose of Cover

This package has been developed to offer various types of group benefits to the small business/franchise. The various aspects of cover on offer, allow you and your client, to select the type of cover best suited to their needs.

#### Group Life Cover (Underwritten by Regent Life)

1. The minimum monthly premium per business/client is R400.00 p.m.
2. All premiums are collected via monthly debit order. There is a R10.00 debit order fee applicable which will be added to the monthly premium.
3. There is a broker fee of R35.00 to be added to both the monthly premium, as well as the monthly debit order fee.
4. The client/insured is required to supply the monthly details of employees to be covered. These employees together with the insured levels of cover must correspond with the quoted values as issued by H&A.
5. It is a requirement that each employee complete a Beneficiary form.
6. Premiums are payable in arrears and payable by the 7<sup>th</sup> day following the month of cover.
7. The client/insured is required to complete a debit order authority on acceptance of the quote.

#### Group Funeral Cover (Underwritten by Regent Life)

1. The minimum monthly premium per business/client is R400.00 p.m.
2. All premiums are collected via monthly debit order. There is a R10.00 debit order fee applicable which will be added to the monthly premium.
3. There is a broker fee of R35.00 to be added to both the monthly premium, as well as the monthly debit order fee.
4. The client/insured is required to supply the monthly details of employees to be covered. These employees together with the insured levels of cover must correspond with the quoted values as issued by H&A.
5. It is a requirement that each employee complete a Funeral Application form, correctly listing the details of the persons to be insured, together with the details of the relevant beneficiaries.
6. Premiums are payable in arrears and payable by the 7<sup>th</sup> day following the month of cover.
7. The client/insured is required to complete a debit order authority on acceptance of quote.

#### Group Personal Accident (Underwritten by Compass Insurance Co Ltd)

1. This Policy must be written in the name of the employer/company/legal body to which employees/members belong.
2. This legal body becomes the Policyholder, and as such is responsible for the payment of premiums. In addition all claim benefits are payable to the Policyholder – not the employees or members.
3. The minimum annual premium shall be R5 000 and the minimum group size shall be 5 employees/members.
4. The core benefit of this Policy shall be Accidental Death and Accidental Permanent Total Disability.
5. The premiums are tax deductible for the Policyholder. However, as benefits are payable to the Policyholder, they are deemed income in the hands of the Policyholder. The Policyholder would pay such benefits to the employee/member (or dependents) and any such payment would be deemed a cost/out-go and as such would result in a tax neutral position for the Policyholder.





health and accident group

6. The cover for this Policy must be compulsory for the declared category of the employee/member. Therefore, not all employees/members need to be included.
7. The monthly list of employees/members to be included in the cover under this Policy is not required. The monthly/annual premiums should be matched to the employees/members to be covered. However if these figures vary, it shall be reconciled prior to the Policy renewal. If the figures, of persons to be covered, are less than those paid for, a credit shall be due. If they are more, such resulting additional premium shall be added to the renewal premium.
8. If an injury occurs while the employee/member is performing their work duties, which may result in a claim under the benefits listed as Accidental Temporary Total Disablement or Accidental Medical Expenses, such a claim must first be submitted to COID (Compensation for Occupational Injuries and Diseases). This Policy shall pay that part of any shortfall of the claim submitted to COID. The other benefits are fully payable, regardless of whether the injury occurs on work duty or not.

#### **Income Protection Cover – Pinnacle IPP** (Underwritten by Compass Insurance Co Ltd)

1. The insured is required to sign acceptance of the system generated quote document.
2. The insured is required to complete a Pinnacle Income Protection Plan Application form.
3. The insured will be issued with a tax certificate (or or about the end of March) reflecting the annual premiums paid in order to obtain the necessary tax deduction from SARS.

#### **Commissions**

1. Commissions are payable on or about the 18<sup>th</sup> day of the month in which premiums are received (on the 1<sup>st</sup> working day).
2. Group Life – commission of 5% p.m. plus the broker fee of R35.00 p.m.
3. Funeral Cover – commission of 10% p.m. (plus VAT where applicable) plus the broker fee of R35.00 p.m.
4. Group Personal Accident – commission of 20% p.m. plus the broker fee of R35.00 p.m.
5. Pinnacle Income Protection Plan – commission of 20% p.m.
6. The above commission rates or fees are inclusive of VAT, where applicable.

**Please note that this is a summary only – full Policy documents are available on request.**

Directors: A.Hofman (Managing Director) D.Hofman (Executive Director)

Health & Accident Underwriting Managers (PTY) Ltd 1994/002308/07

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