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rewards healthy living



The Global Education Protector

Frequently asked questions

Education is one of the most important and expensive monthly costs for most families. For this reason, Discovery Group Risk developed the Global Education Protector. This benefit is designed to fund the education of the children of an employee, on the employee's death.

How the Global Education Protector works

The Global Education Protector provides indemnity cover for the education of a member's children in the event of the member's death.

This means that we cover:

- The education payments that the member was responsible for; or
- The payments which were being made by the member in the 12-month period before their death; or
- The payments for which the member would have become responsible for in the future.

The Global Education Protector will pay the actual educational fees charged by the institution attended by the children at the time of the member's death. These fees will exclude any fees that are paid separately or in addition to the normal standard education fees applicable to all the learners in the child's particular year/grade. You can see examples of excluded fees in clause 4.11 of the Life Plan Guide (GRLPG 01/17). If the children attends a "no fees" school or are exempted from paying fees, no benefit will be paid from the Global Education Protector, except for university fees.

Upgrade to private schools

Children of the member who passed away can upgrade from a public school to a private school, for up to 12 years, in the following instances:

- The member must have been on Bronze Vitality status or higher before their death
- The upgrade can only happen in the 12 months following the member's death.

Fees for private schools are subject to the standard Global Education Protector maximums set by Discovery Group Risk.

The child must be accepted by the private school.

Who qualifies for the Global Education Protector?

- The child must be the member's natural child or must have been legally adopted. Adoption will only be considered valid if the date of adoption, or the date of application for adoption, is before the member's date of death
- A child born after the policy has started will automatically be covered
- There is no restriction on the maximum number of children covered under this option.

Are stepchildren covered?

Stepchildren are covered if the following criteria are met:

- A legal marriage must be in place before the date of the event giving rise to a claim
- The member must inform Discovery Group Risk of the stepchild
- If the member divorces the mother or father of the stepchild, the benefit will fall away for that child.

What years of education will be covered?

Benefit payments cover the following years of education:

- Pre-school (grade 0) – one year
- Primary school (grade 1 to 7) – seven years
- High school (grade 8 to 12) – five years
- Tertiary education:
 - Three-year undergraduate degree or recognised trade diploma/certificate
 - Five-year BDS (Dental)
 - Six-year MBS, MBChB (Medical)

The Global Education Protector will only cover the number of years related to the degree for which the student initially applied for after completion of grade 12. The benefit will not cover any additional years if a change is subsequently made to a longer degree. All South African universities are included in this benefit, as well as universities of technology (technikons) and recognised institutions providing qualifications for a trade (such as plumbing and electrical).

Can the child take a gap year?

Years of education must run consecutively. However, the child may take off one year between completing high school and starting university or similar tertiary education. No benefit payments will be made for this year. The rules on ending benefit payments will still apply, which may result in benefit payments ending before the child completes their education.

We will provide additional funding for certain fees at tertiary education level

Apart from the actual education tuition fees, we will cover book fees and residence fees up to certain maximums (see general benefit limits). These payments are only made for tertiary level education.

- Book fees – the actual fees for books relating to the child's chosen field of study or course, up to a maximum of 10% of the actual tertiary education fees
- University residence fees – the actual fees for university residence up to a maximum of 30% of the actual tertiary education fees.

The book fee and university residence fee are not included in the maximum benefit payable to an educational facility. These fee payments will not be made if the child does not attend a recognised education facility.

In the case of university, benefit payments will be based on education fees at a South African university, or a Discovery Group Risk approved list of overseas universities, if the child is accepted at an overseas university on this list.

The list of approved overseas universities may be changed by Discovery Group Risk from time to time. In the event of the spouse or the children emigrating from South Africa, benefits paid will be based on education fees for South African facilities, and not the rate of fees applicable to education in their new country of residence.

If the child is enrolled in a university on Discovery Group Risk's selected list of overseas universities, benefit payments for the overseas university will be paid in full, subject to the maximums applicable at the time (see general benefit limits).

What benefit payment maximums apply to the Global Education Protector?

The following maximums apply to benefit payments:

- Pre-school (grade 0/R)
R4 000 per month
- Primary school (grade 1-7)
R6 700 per month
- High school (grade 8-12)
R7 800 per month
- Tertiary education
 - R53 000 per year at a local facility
 - \$45 350 per year at an overseas facility.

Benefit payments will not be made if the child does not attend an education facility for any reason. There is no minimum benefit or ex gratia payment allowed under the Global Education Protector.

There are maximum increases in payments, up to the maximum benefit limits, which will be allowed as a child transitions between education facilities, as follows:

- Before school-going age (grade 000/00) until grade 0/R:
Up to 100%
- From pre-school (grade 0/R) to primary school: Up to 100%
- From primary school to high school: Up to 20%
- From a school with no fees to one with fees: A maximum increase of up to R9 000 per year.
- For children not of school going age, Discovery Group Risk will consider the payment of private school fees under the Global Education Protector, up to a maximum of R9 000 from grade R, if before the member's death, the child was registered at or placed on a waiting list for a private school or the child's elder siblings were already attending a private school. Thereafter, the policy terms and conditions will apply.

In the event of the spouse or the children emigrating from South Africa, benefits paid will be based on education fees for South African facilities and not the rate of fees applicable to education in their new country of residence.

If the child is enrolled at a university on Discovery Group Risk's approved list of overseas universities, benefit payments for the overseas university will be paid in full, subject to the maximums applicable at the time.

When do benefit payments end for an admitted claim?

Benefit payments will end at the earlier of:

- The child leaving school and not attending a tertiary institution immediately thereafter, subject to the allowance of a one-year break or gap year
- The child leaving school with the intention of not returning
- The child completing a tertiary education subject to the benefit maximums stipulated
- The end of the education year in which the child turns 25
- The child not returning to school or university after the gap year
- The death of the child
- The child failing two successive years of primary or secondary education until they progress to the next grade
- The child failing a year of tertiary education until they pass that year.

What is not covered by the Global Educator Protector?

- Any registration fees or administration fees for the school or institution in respect of the child
- Any book or residence fees for non-tertiary institutions or schools
- Any utensils or equipment required for studies
- Excursion fees
- Au pair fees
- Aftercare fees
- Fees that are paid separately or in addition to the normal standard education fees applicable to all the learners in the child's particular year or grade, such as remedial fees or additional mathematics fees or fees for studies that do not form part of the school or institution's normal curriculum.

How does Discovery Group Risk deal with children who become eligible before school-going age?

A child will be covered from grade 0/R. When determining the fees applicable from grade 0/R, the fees paid in grade 00/0 will be taken into account. Discovery Group Risk will not be legally responsible for fees before grade 0/R.

Discovery Group Risk will apply the maximum benefit limits and maximum increases when determining the fees payable in grade 0/R and subsequent years. If a child is not of school-going age, Discovery Group Risk will consider the payment of private school fees under the following conditions:

- The child was registered at, or placed on a waiting list for a private school
- If the child's elder siblings were already attending a private school.

When does the Global Education Protector terminate?

If no claim is made before the employee reaches the earlier of the benefit expiry age and age 65, or if the employee leaves the service of the employer for any reason, the cover and premiums for this benefit will stop.

What happens when a child fails a year of education?

For all the years up to the end of high school, the child may fail one year. In this case, Discovery Group Risk will only pay 33% of the relevant fees to repeat the year. If the child fails again, benefit payments will end until the child progresses to the next grade of schooling.

If a child fails a year of university, technikon, trade qualification, or similar qualification in full, Discovery Group Risk will not pay any benefit to repeat the year and benefit payments will stop until the child progresses to the next year of education. Discovery Group Risk regards failure of two-thirds or more of the subjects in a year as failing the year in full.

If the child progresses to the next year of education, having passed more than one-third of the previous year's subjects, Discovery Group Risk will continue to make benefit payments in full. If a child has passed matric and wishes to pass further subjects to get matriculation exemption, a maximum of one-third of the actual fees payable during the matric year (or up to the benefit limit if no fees were paid), may be paid.

How does the Global Education Protector affect the tax paid by an employee?

The Global Education Protector from Discovery Group Risk is offered on an unapproved basis only.

No retirement fund rule amendments are necessary to offer this benefit. Employees may pay fringe benefit tax on the Global Education Protector premium, based on the deemed premium, as set by Discovery Group Risk, for the scheme.

What other legal provisions will apply to the Global Education Protector?

Both the actively at work and the pre-existing conditions clauses will automatically apply to the Global Education Protector. This is irrespective of whether Discovery Group Risk has waived this clause for other benefits.

If a life assured has other individual or group life policies that also provide education benefits, Discovery Group Risk will reduce its benefit payments in the ratio of the potential Discovery Group Risk payment to the total payment received from all policies.

The Global Education Protector cannot be ceded.

If both parents are employees of different group schemes insured by Discovery Group Risk and both die, no additional payments will be made in excess of the actual costs of the child's education. The Global Education Protector will not be paid on the death of a spouse. Benefit payments for the Global Education Protector will have no impact on the Life Fund.

What information is needed for the payment of the Global Education Protector?

The burden of proof of eligibility for the Global Education Protector is that of the policyholder, or whomever they direct to provide this information. Discovery Group Risk will determine the information required as proof of eligibility, and if the claim is accepted the benefit payment will only take place when all the requested information has been received. At least an unabridged birth certificate for the child and proof of payment by the member for the child's school fees over the 12 months before the member's death will be required.

For subsequent years of education, Discovery Group Risk will require proof of enrolment, proof of fees and the previous year's education results. If there are no nominated child beneficiaries at the date of death or notified to Discovery Group Risk within six months from date of death, no benefits will be admitted for payment.



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