



# The ZMA- Care4Life Scheme

## 1. What is the ZMA- Care4Life Scheme?

The ZMA- Care4Life Scheme is a plan that allows members of the Zambia Medical Association (ZMA) to save for their retirement and get life insurance if they wish to. The product is being offered in partnership with Octagon Financial Services Limited – a licensed Pension Fund Administration service provider.

## 2. What is covered in the Scheme?

The Scheme has two products; One is Pension Savings, which a member can withdraw with interest. The Second product is Life Insurance. Members have a choice to insure for K 250,000, K 500,000, or K 1,000,000.

## 3. Why Should I sign-up?

Simply because Doctors also deserve a decent retirement and financial security. The product allows members of the ZMA to have financial security before retirement and after retirement. The service also allows you to ensure that your loved ones are financially secure if you pass on. Now, isn't that just great!



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#### 4. How Does the Scheme work?

We appreciate that the financial needs of individuals will differ depending on their age and income. So, we have designed the product to be flexible, allowing individuals to save and purchase life insurance within their financial capacity. For example, Dr Bwalya is 35 years old and still has about 25 years to retirement age. He can save K1000 monthly for his retirement and be able to retire with approximately K 1,020,000.00 (despite having saved K300,000.00 - in the 25 years, and assuming an annual interest of 9%) if he chooses to get life insurance of K 500,000.00, he will pay a yearly premium of K1,127.00.

If Dr Bwalya passes on, his family will receive both the K500,000.00 insurance and all his pension savings.

It is important to note that Pension is a saving, while Insurance Premiums expire at the end of each year. The figures used here are illustrations. Get in touch with the Administrator to receive a tailored quotation.

#### 5. How much is the minimum contribution for the Pension Saving?

The minimum contribution is K 6000, paid annually, on flexible terms. Your first contribution must be K 1,000.00 (exclusive of Insurance Premiums). After that you can make contributions of K500 minimum monthly – with no maximum.



## 6. When does my insurance become payable?

Insurance is only payable when the member has passed – it is therefore vital that you keep the names of your beneficiaries updated.

## 7. What happens to my Insurance Premiums after one year?

Just like for Motor Insurance, Life Insurance Premiums expire annually. The Administrator will prompt you for renewals.

## 8. Who is Octagon Financial Services Limited?

Octagon is a licensed Pension Fund Administrator regulated by the Pensions and Insurance Authority (PIA) under the Pension Scheme Regulation Act.

## 9. Can I view my Pension Account Online?

Members can view their statements through the online system known as OPAS. Access to the system is available 24/7 through the website [www.octagonafrica.com](http://www.octagonafrica.com) or the Octagon Africa App on the Google Play Store.

## 10. When can I withdraw my Pension Savings?

Members can withdraw their funds after two (2) years of making contributions. However, if the employer is contributing to the Fund, an employee is only able to withdraw upon separation from the employer.



### **11. What happens to the funds if a member passes away whilst contributing to the Fund?**

Upon joining the Fund, a member signs a Nomination of Beneficiary Form. In this form, a member allocates a percentage of their funds to their next of kin. Octagon will ensure that the members' listed nominees receive their allocated funds if they are to pass away.

### **12. Can I vary my contributions during the year?**

Yes. A member can increase their contribution as and when they see fit. This is to allow members to increase their retirement savings as much as possible. Members must note that the minimum annual contribution is ZMW 6000 a year; there is no maximum contribution. Important to note is that if an employer is contributing to the scheme, their percentage of contribution will not change if a member decides to vary their contribution.

### **13. Is there interest gained on the contributions made, and how much is earned?**

As member funds are invested, there are investment returns realized. The net return (Interest or Bonus) is distributed to the members on an annual basis after the annual audit. As the funds are invested in multiple asset classes, there is no fixed interest; interest is based on the performance of the Fund in that particular year. Also – regulation does not allow for guaranteed interest in pension funds in Zambia.



#### 14. Can I cancel my membership?

Yes, you can. Refunds will be paid in line with the two years withdrawal policy. The two years has been put in place to allow for investment of funds and interest earning. There are no penalties for members that cease to contribute.

#### 15. Contributions Payment Options

Currently, members must deposit the Funds in the Bank account of the Octagon Umbrella Pension Trust Fund. You will be notified of new payment options as they become available. For ease of payments, you can place a standing order with your bank.

#### 16. How do I sign -up?

We have a dedicated team that is readily available to discuss your options and any queries you may have. You may reach the Administrator on +260 211 236722 or email [zma@octagonafrica.com](mailto:zma@octagonafrica.com). / [zambia@octagonafrica.com](mailto:zambia@octagonafrica.com).

