

OLDMUTUAL

GROUP LIFE ASSURANCE

PROVIDES FINANCIAL PROTECTION AFTER DEATH FOR LOVED ONES



CORPORATE
GROUP ASSURANCE

DO GREAT THINGS EVERY DAY



INTRODUCTION

The death of a breadwinner can have a devastating financial impact on the lives of surviving family members. Day-to-day bills still have to be met, and there may also be outstanding debts that need to be settled.

Group Life Assurance (GLA) cover is designed to help surviving family members cope financially when the breadwinner passes away. It does this by paying out a cash lump sum (called a benefit) that provides the financial protection and peace of mind that loved ones deserve at such a difficult time.

In the case of unapproved cover (life insurance that is separate from the retirement fund) policies, the benefit is payable to the beneficiaries nominated by the employee. For approved cover (insurance that is included as part of the retirement fund), the benefit gets included in the members' retirement fund benefit.





BENEFIT DESIGN/STRUCTURING

Old Mutual Group Assurance offers customised solutions that are designed to meet the specific needs of the group. To meet individual member needs, a flexible risk solution can be offered. Examples of customised benefit design include:

- A multiple of annual salary for all members (e.g. 4 x annual salary).
- A defined contribution risk structure where insurance is based on the level of cover that can be purchased with a fixed contribution rate.
- Flexible or optional risk benefits with a compulsory core level of cover and the option for individual members to buy additional cover at certain life events.
- A fixed insured amount (e.g. R1 000 000).
- A formula-based insured amount (e.g. a % of annual salary multiplied by the number of years of service* (e.g. 6% x salary x n*).
- Spouse's and children's pensions derived from a lump sum payout.

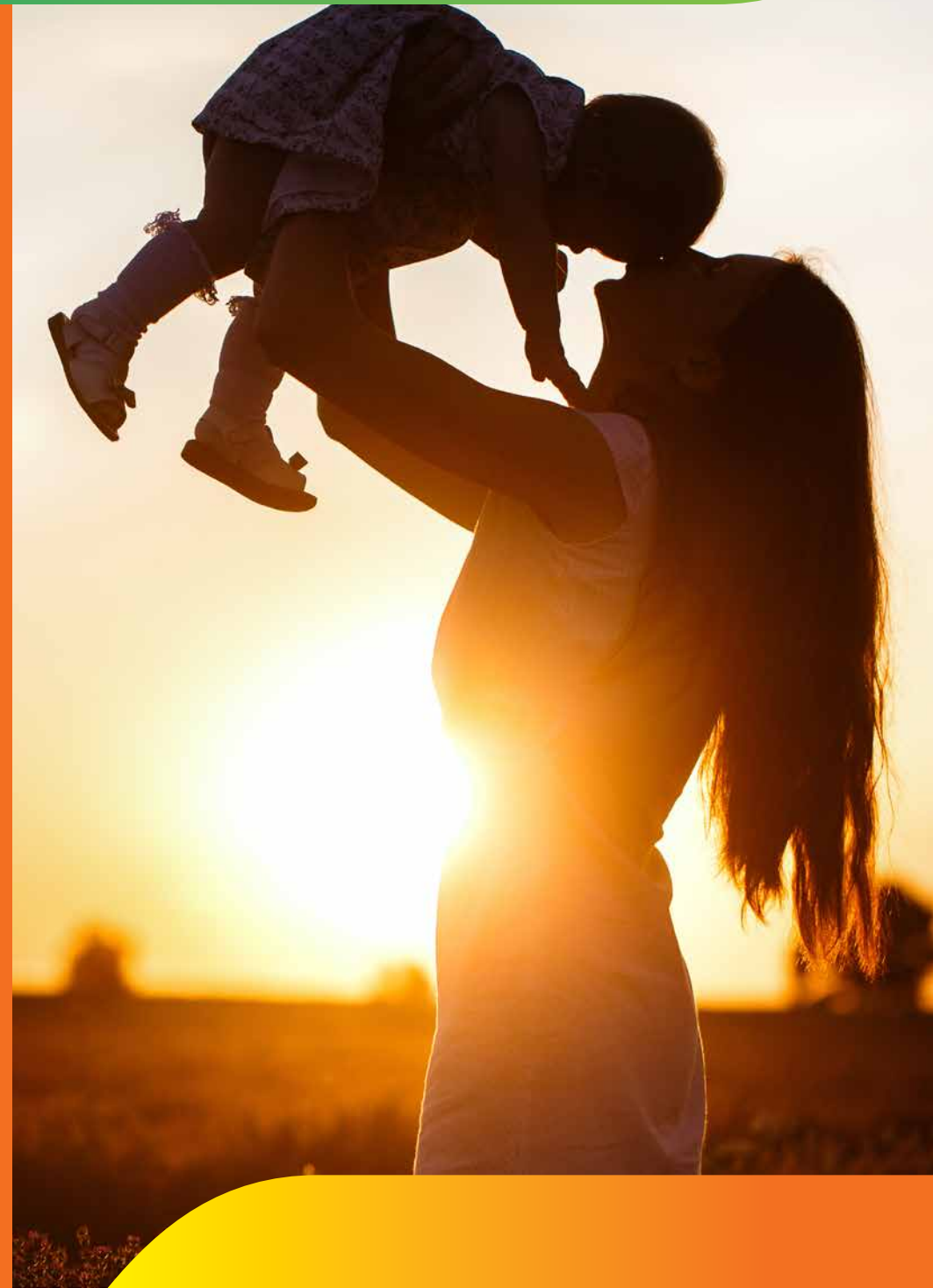




GENERAL CONDITIONS

The following general conditions apply to all Old Mutual Group Life Assurance schemes:

- For cover structured as a multiple of salary, the maximum cover is 10 x annual salary. However, this maximum can be increased to 15 x annual salary if there are age-related multiples or if the cover is structured as a Spouses' and Children's pension benefit.
- Medical underwriting is required for members whose potential cover exceeds the evidence of health (free cover) limit.
- There is no defined maximum level of cover for Group Life Assurance however, life cover above R50 million is subject to reinsurance approval.





EXCLUSIONS

The following exclusions apply to all Old Mutual Group Life Assurance policies:

- War and terrorism exclusions
- In addition, voluntary arrangements and small schemes (≤ 20 members) have exclusions relating to:
 - Suicide (within the first 24 months of joining the scheme)
 - Self-inflicted injury
 - pre-existing conditions



OPTIONAL BENEFITS

The following benefit can be added:

- Conversion option - This allows members to convert their life cover to a retail policy when cover ceases under the group risk arrangement. Other than a cotinine test for non-smokers, no additional medical underwriting is required.
- Accelerators - This allows the death benefit to be accelerated for Lump Sum Disability Cover or Critical Incident Cover if the client chooses these product as an accelerator to the Group Life Assurance Cover.





VALUE-ADDED FEATURES

- **Funeral Support Service** - is available at no extra cost and includes the transportation of the deceased by road or air from anywhere in the world to the funeral home closest to the place of burial in South Africa (provided the place of death is more than 50 km from the place of burial), or the neighbouring countries of:
 - Namibia
 - Botswana
 - Zimbabwe
 - Lesotho
 - Eswatini and
 - south of the 22nd parallel (Vilankulo) in Mozambique.
- **Accident Plus** - If a member hasn't gone for underwriting or been approved for full cover, but dies due to an accident, then Old Mutual will not limit the member's benefit and therefore pay the full cover amount (subject to the product maximum).
- **Travelling Nurses** - Old Mutual provides the Travelling Nurses service free of charge to all our clients to make underwriting less of a hassle for them. Nurses visit employees in the convenience of their office to gather the basic underwriting requirements, e.g. to complete a questionnaire and collect the necessary blood samples.
- **Global Travel list** - Claimants can now travel freely to any country on the Global Travel List and continue to receive their benefit payments as long as a local bank account, email contact and the necessary ongoing medical input remain available.

OPTIONAL ADDITIONS TO GLA COVER

1. TERMINAL ILLNESS

Given the critical nature of a terminal illness diagnosis, Old Mutual offers an additional layer of protection through the Terminal Illness Cover rider to our GLA cover.

This provides an early payout of the lump sum benefit in the event of a terminal illness diagnosis resulting in a life expectancy of six months or less. This ensures that insured members and their families have the financial support they need during this difficult period.

The benefit forms part of our commitment to providing our members with financial security and showing empathy and understanding during times of hardship.

Additional qualifying criteria

- The diagnosis must be confirmed by a specialist.
- Old Mutual must agree with the treating medical specialist that the person's life expectancy is less than 6 months.
- Curative treatment options must have been exhausted. Palliative care (e.g. pain control), aimed at ensuring the comfort of the individual is usually the only treatment option left.

The benefit is optional when taking out Group Life Assurance cover. A standalone version is not available.

Benefit design/structuring

The product allows for only one terminal illness claim to be paid. The annual salary applied when calculating the benefit will be the member's salary when the doctor diagnosed the terminal condition with a six-month or lower life expectancy.

The Terminal Illness Cover amount can be equal to or less than the Group Life Assurance cover.



Additional conditions for terminal illness

A terminal illness claim must be submitted within 13 weeks from date of diagnosis of a terminal illness resulting in a life expectancy of six-months or less.

The maximum age for the Terminal Illness Cover is the same as the Group Life Assurance maximum age, but not beyond 80 years old.

There is no reinstatement of the full death cover in the event that a member who has made a terminal illness claim does not pass away. In this case, only the remaining GLA cover will be paid in the event of the member's death.

2. ACCIDENT DEATH COVER

Accidents are a stark reminder of life's unpredictability. Understanding the impact that an accident can have on families, Old Mutual offers the Accidental Death Benefit rider to enhance its GLA cover.

This cover provides an additional layer of financial protection. In the event of a fatal accident, the beneficiaries receive an additional payout over and above the GLA cover benefit. This supplementary benefit serves as a vital safety net, offering financial support when it's most needed.

Accident Death Cover is a popular and inexpensive enhancement to standard Group Life Cover. It is especially useful for employees who have occupations where the chance of accidental death may be high. In these cases, employers may wish to give members and their families the extra peace of mind that comes with Accident Death Cover.

Product features

- The benefit is paid out as a lump sum.
- As a rider to the GLA cover, the Accident Death benefit is in addition to the GLA benefit. It does not reduce the GLA cover.
- Accident Death Cover is not affected by any reduction or pegging of the GLA cover but the total of the GLA cover and the Accident Death cover is subject to the product maximum.

Benefit design/structuring

The Accident Death Cover amount is either a multiple of annual salary, a percentage of the GLA benefit or a flat amount.

General conditions

- Death must be caused directly (independently of any other causes) by bodily injury resulting from an external, violent and accidental event.
- The death must occur within six months from the date of the accident and must be solely due to the accident.
- Clients must keep their members' personal information and data up-to-date and accurate throughout the cover period.
- The claim must be submitted within 52 weeks of the death of the member.

Additional exclusions

No claim will be considered if the death is due to an accident caused directly or indirectly by self-inflicted injury or suicide. This is not considered accidental.



