Outline

What is LifeReturns®

Why LifeReturns®

Distinguishing features

Journey to LifeReturns®

LifeReturns® structure

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What is LifeReturns®

- Modern approach to Myriad's accurate pricing philosophy – risk selection mechanism enhanced

- Contractual premium based on insured life's individual risk profile

- Discount on contractual premium based on dynamic and regularly validated individual risk factors

- Easiest and quickest way to earn Life Insurance premium discounts!

- Business as usual, enabled by digital technology!

Age
Gender

Contractual premium

BMI
Blood pressure
Fitness

LifeReturns® discount

Accurately priced insurance risk
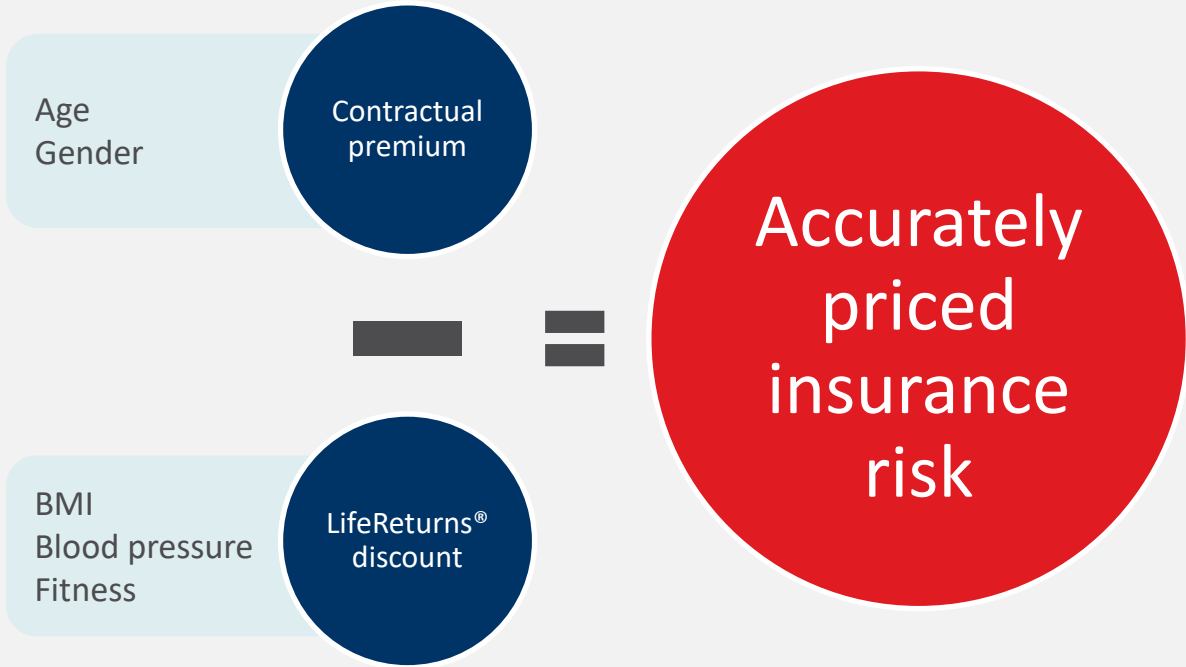
What is LifeReturns®

Initial screening

Discount %

Ongoing screening

Up to 35% upfront premium discount

18% expected average discount

90 seconds to complete digital facial screening

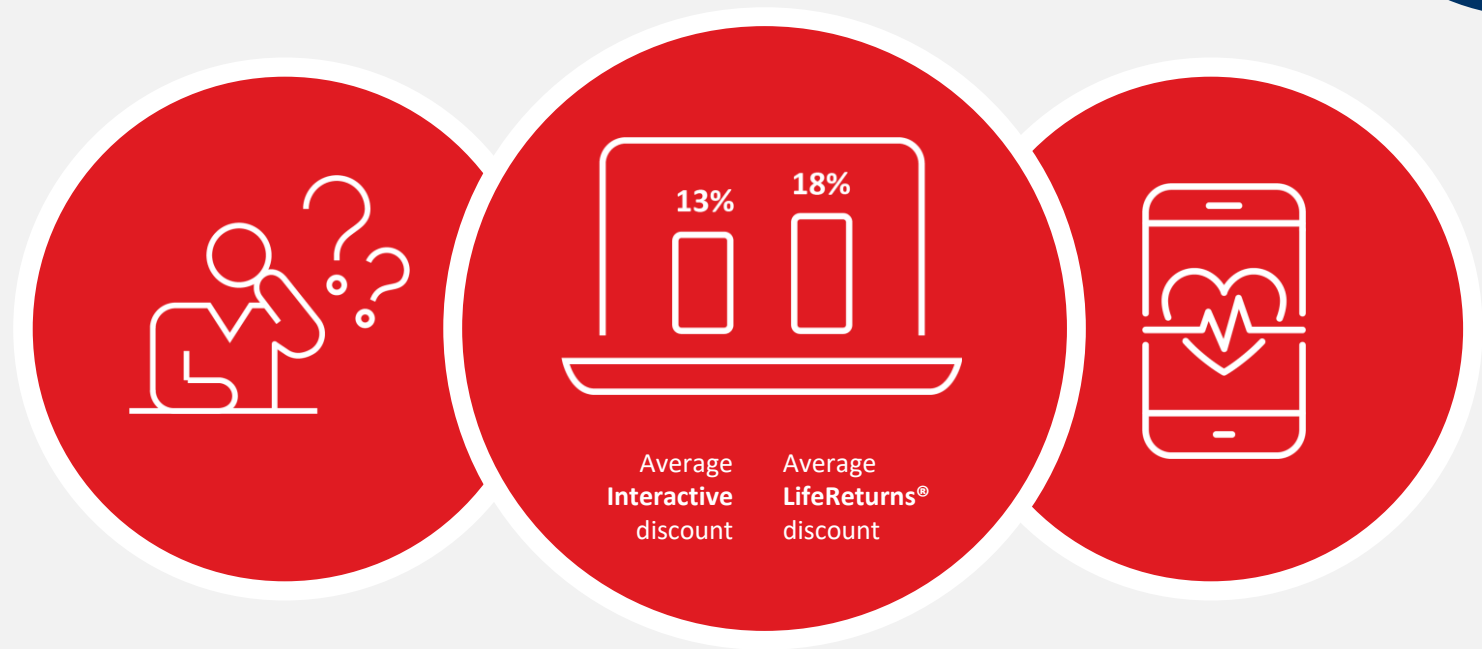Biometric facial screening + few mandatory questions

About 5 minutes per year to maintain/ improve discount

Biometric facial screening + mobile digital fitness assessment

FREE OF CHARGE | NO PAPERWORK | NEW AND EXISTING CLIENTS ELIGIBLE

What is LifeReturns®

13% **18%**

Average **Interactive** discount

Average **LifeReturns®** discount

Adviser feedback on
wellness landscape

Competitive premium
discounts

Mobile
health screening

Distinguishing features

Simplicity is better! LifeReturns® gives clients better value, while they "sweat less"

Simplicity

Easiest way to earn life insurance premium discounts!

Minimal effort from adviser and client!

Inclusiveness

More value to more clients!

No integration

No need for product/benefits integration from a single provider!

Certainty

Known and applied upfront as an immediate saving!

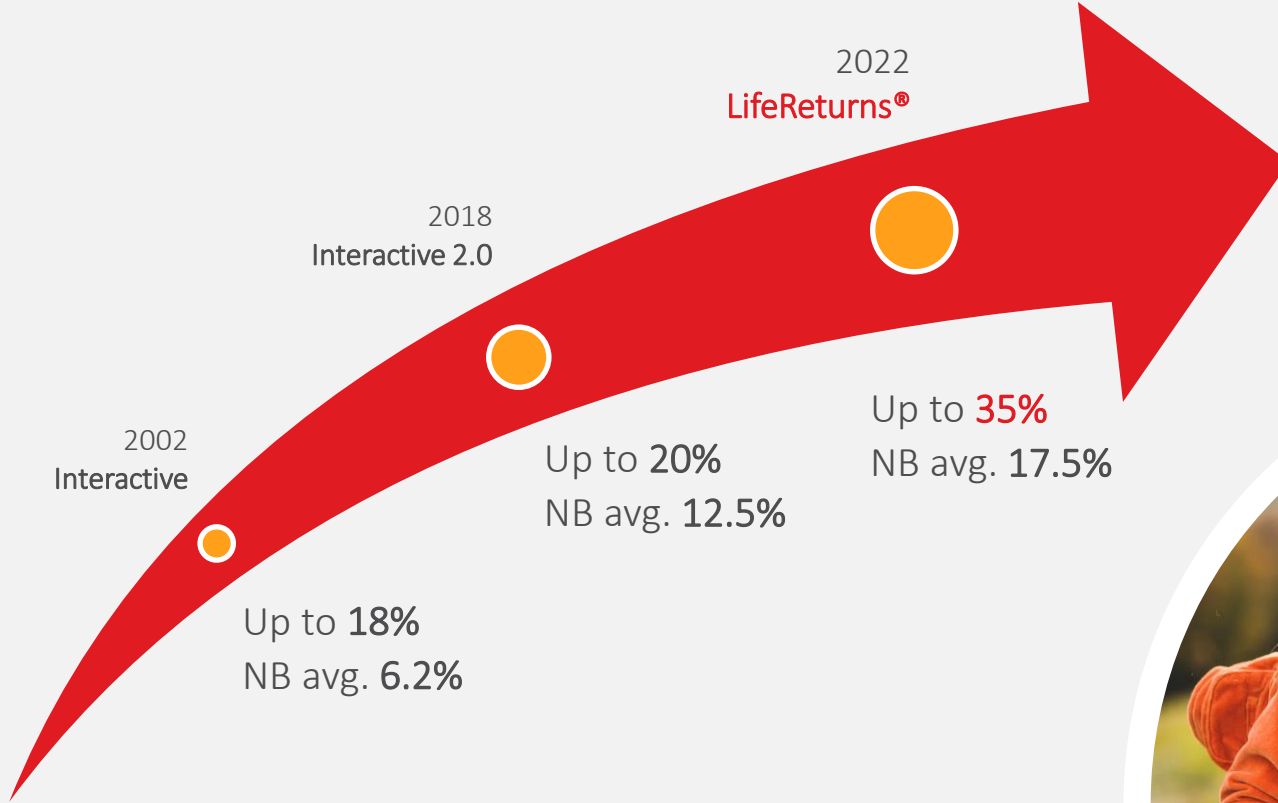Discount Factor Certainty!

LifeReturns® Discount Protector!

Health check-up

Free annual health check-up from the comfort of own home using our digital tech

Journey to LifeReturns®

2022
LifeReturns®

50% of clients will get 20% or more!

20% of clients will get 30% or more!

2018
Interactive 2.0

Up to 35%
NB avg. 17.5%

2002
Interactive

Up to 20%
NB avg. 12.5%

Up to 18%
NB avg. 6.2%

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LifeReturns® - structure

LifeReturns®	
LifeReturns® discount factors	Maximum discount percentage
BMI (Body Mass Index)	
Blood pressure	15%
Medical aid membership	
Fitness	15%
Regular debit order	5%
Total discount	**35%**

LifeReturns® discounts are applied at an insured life and benefit level

5% regular debit order discount now available for business policies

BMI, blood pressure, medical aid

Body Mass Index (BMI)	BMI description	BMI only discount percentage
≤ 20.0	Poor	0%
≤ 21.0	Very good	7.5%
≤ 25.0	Excellent	10%
≤ 28.0	Very good	7.5%
≤ 30.0	Good	5%
≤ 32.0	Fair	2.5%
> 32.0	Poor	0%

+50%

Boosted by blood pressure & medical aid

BMI, blood pressure and medical aid combination discount
0%
11.25%
15%
11.25%
7.5%
3.75%
0%

LifeReturns® structure – BMI, blood pressure, medical aid

BMI

BMI will be validated by a FastLane medical practitioner

Discount could change if the nurse validated BMI is different from the self-reported BMI

Won't change if the difference is small, e.g., 80kg vs 83kg, and it falls in the same band

BP

BP may vary between measureqants.

Screening app will request a rescreen if BP is abnormal

After the second retry – we will use the last full set of results

Medical aid

Must be a registered medical aid (not restricted to Momentum only)

Council for Medical Schemes has a list of registered medical aids

Excl: Health Insurance, e.g., hospital cashback or gap cover

LifeReturns® structure – Physical fitness

Physical fitness level	Description	LifeReturns® discount percentage
Level 1	Poor	0%
Level 2	Fair	0%
Level 3	Good	5%
Level 4	Very good	10%
Level 5	Excellent	15%

PASSIVE FITNESS ASSESSMENT

Initial assessment: Fitness estimate based on self-declared physical activity

ACTIVE FITNESS ASSESSMENT

Reassessment: VO2 max result based on in-app screening results

LifeReturns® structure – Regular debit order discount

- Premium payments made via debit order only

- Discount applied immediately

- Regular debit order discount now also applies to business assurance policies

NEW

- Missed premium = discount falls away

- 24 consecutive months with no missed debit order to reinstate discount, exceptions for valid reasons

- Regular debit order discount applied per policy, e.g., missed debit order on one policy does not affect the other

- Missed reassessment does not invalidate discount

5%
monthly discount

LifeReturns® digital screening – Initial screening

- Initial digital screening activates LifeReturns® discounts
- Discount determined using a purpose-built and highly accurate in-app screening technology
- Combination of digital screening and a few mandatory questions
- Identity verification and liveness check
- 90 seconds
- Adviser's phone, or client's phone via a link
- Initial screening free of charge plus an additional free screening to improve results
- Valid screening results will be applied to:
  - existing policies on alterations (from Interactive)
  - New policies taken up after screening
- Complete set of results required per screening – highest discount from a full set of results will be applied
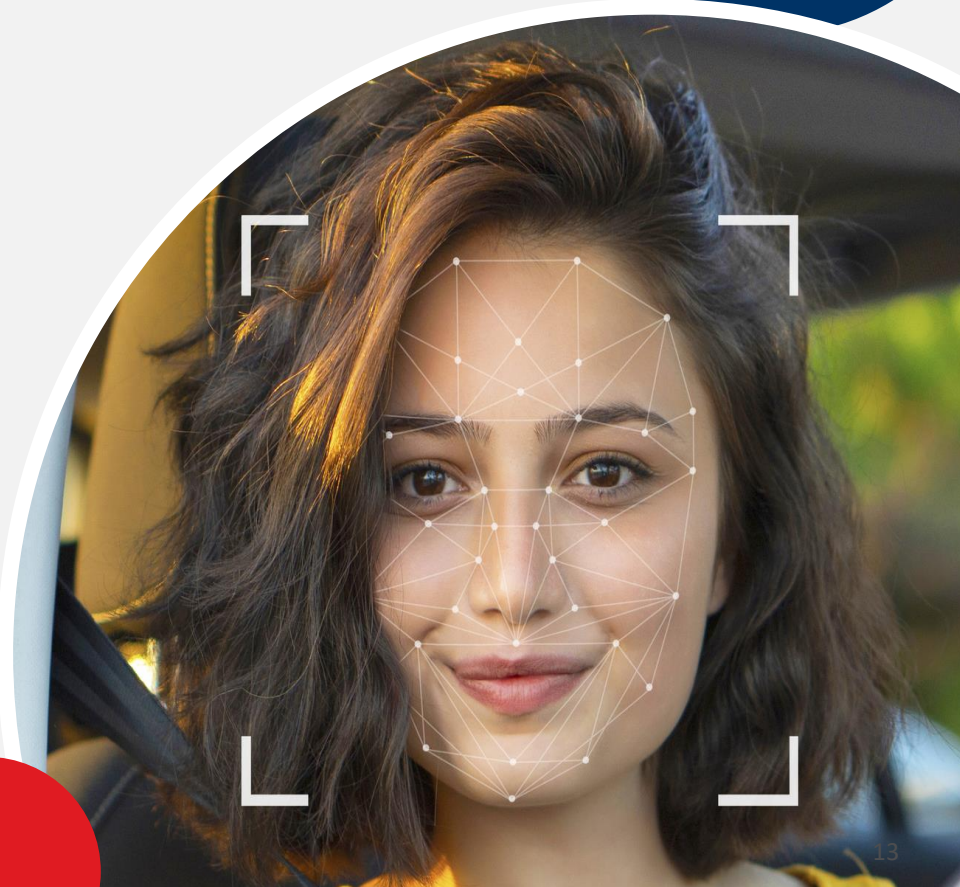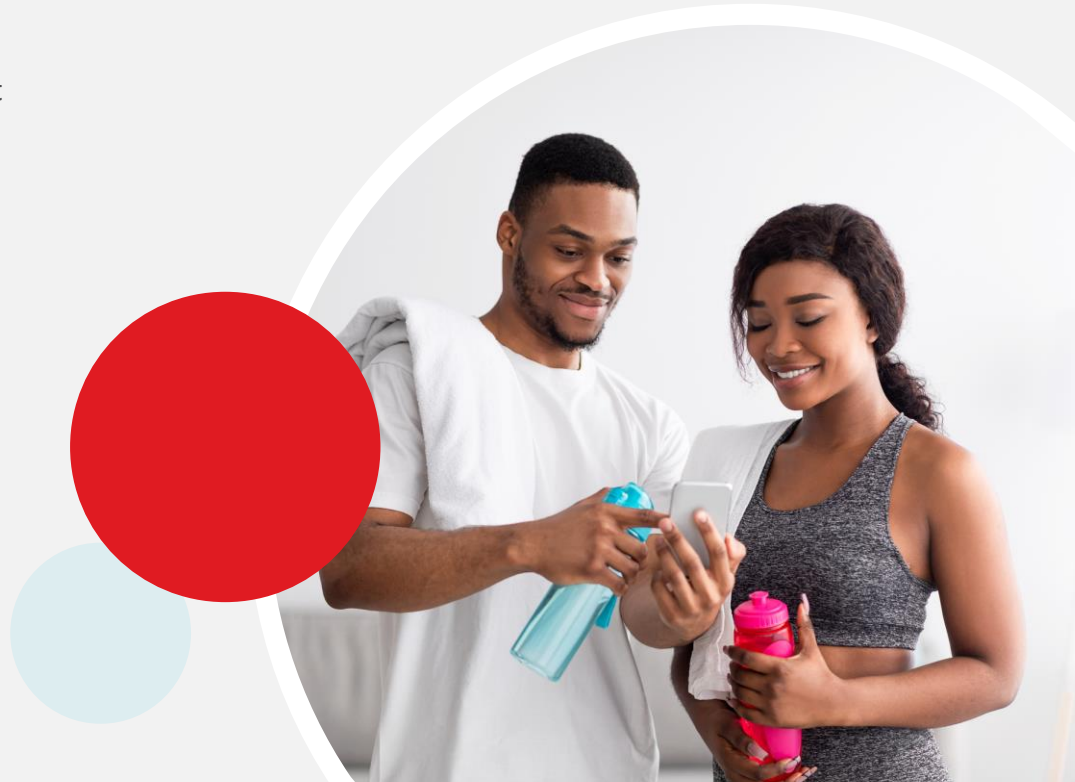
LifeReturns® digital screening – Compulsory annual reassessment

- Quick-and-easy in-app digital screening reassessment every year in the comfort of your own home – Typically less than 5 minutes per year

- One free compulsory reassessment during an annual cycle, additional voluntary screenings available at a fee

- Reassessment season: 1 January to end of February each year

- Exception for cover that starts between 1 October and end of February

- Results valid until end of reassessment season

- Fewer validations and questions to answer (than initial screening)

- Complete a more accurate, active physical fitness test

- Annual reminders to be sent

- Complete set of results required per screening – set resulting in highest discount will be used

LifeReturns® digital screening – Voluntary reassessment

- Ability to improve LifeReturns® discount before the next compulsory reassessment

- Can be done anytime following the initial screening

- Unlimited voluntary screening vouchers - available at a small fee per screening

- Screening voucher requested in-app

- Cost of first voluntary reassessment waived if done before first compulsory reassessment season starting in January 2024

- Complete set of results required per screening – the set resulting in highest discount will be used

LifeReturns® digital screening – Opting-in and -out

OPT-IN

- Clients simply need to complete the in-app digital screening!

- Same process to be followed, if a client wants to start participating in discounts again after they previously opted out

OPT-OUT

- Clients can opt-out by simply not completing compulsory and voluntary reassessments in future

- Discounts will slowly and gradually reduce on an annual basis

- The LifeReturns® Reassessment Protector protects clients and provides premium certainty by limiting the size of any discount reductions per year

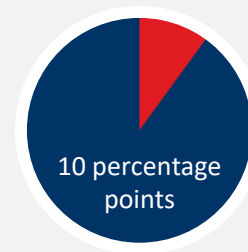# LifeReturns® Reassessment Protector – protecting your discount

Example 1:

- Compulsory reassessment is completed by due date
- Results lead to a lower discount than before
- Can only lose a maximum of five percentage points

Current discount = 20%
Discount earned after reassessment = 10%
Reassessment Protector discount = 15% [20% - 5 percentage points]

Example 2:

- Compulsory reassessment is NOT completed by due date
- Myriad has no set of valid results
- Can only lose a maximum of ten percentage points

Current discount = 20%
Discount earned after **missed** reassessment = 0%
Reassessment Protector discount = 10% [20% - 10 percentage points]

The LifeReturns® Reassessment Protector excludes the regular debit order discount.

LifeReturns® Reassessment Protector – protecting your discount

1

- Client missed debit order payment
- Screening results remain the same
- **Client loses 5 percentage points only**

Explanation:
Due to the 5 percentage points for missing the regular debit order

2

- Client missed debit order payment
- BMI and fitness level results are worse
- **Client loses a maximum of 10 percentage points** of his total discount

Explanation:
Due to the 5 percentage points for missing the regular debit order and the 5 percentage point limitation protection provided by the LifeReturns® Reassessment Protector when a *screening is done*

3

- Client missed debit order payment.
- Does not complete the compulsory annual in-app screening on time.
- **Client loses a maximum of 15 percentage points** of his total discount.

Explanation:
Due to the 5 percentage points for missing the regular debit order and the 10 percentage point limitation protection provided by the LifeReturns® Reassessment Protector when a *screening is not done*

The absolute maximum discount that could be lost in a single year is 15 percentage points

LifeReturns® discount factor certainty

The factors included in, and levels required for, LifeReturns® will not be changed before 31 December 2027.

The factors referred to are:

- Body Mass Index
- Blood pressure and medical aid membership
- Physical Fitness
- Regular debit order discount

12 Months notification period

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LifeReturns® communications

- Initial and reassessment discount displayed in-app

- All screening results immediately sent to insured life via SMS

- LifeReturns® offer cover page to accompany the quotation post screening

- Annual reassessment reminder to be sent to clients
  - 3 months before reassessment season starts
  - 1 month before reassessment season starts
  - During the first month after the end of the reassessment season

- If Myriad accepts your application for insurance, the following information will be available on momentum.co.za by registering and logging in on your profile:
  - Screening results
  - LifeReturns® Guide
  - Applicable discounts

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LifeReturns® technicalities – special rules

	Special rule
Modified Death Benefit	This benefit does not qualify for LifeReturns® discount
Policy fee	The policy fee does not qualify for LifeReturns® discount
Last Survivor Death Benefit	The set of results with the lowest discount of the two lives will be applied to this benefit
Funeral Benefit	Main life and spouse will get their discounts based on their individual screening results. Extended family members and children will get the lower discount of the main life and spouse

LifeReturns® technicalities – Policy fee

Total contractual premium (excluding policy fee)	−	LifeReturns® discount	=	Discounted premium (excluding policy fee)
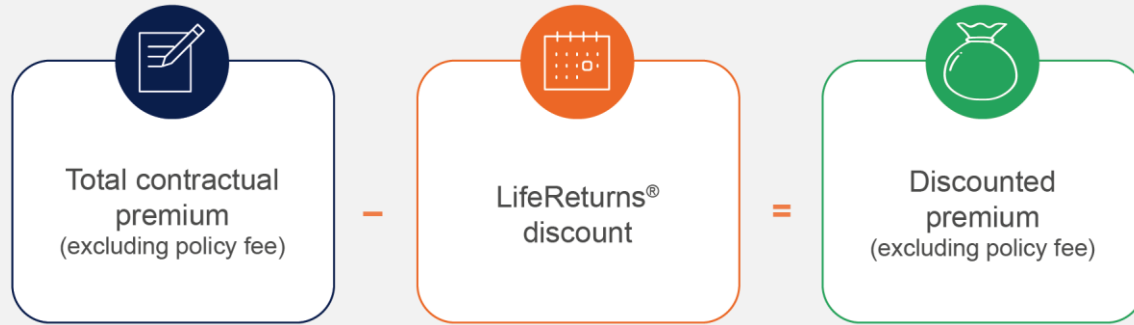
Policy fee example
- James has a policy with Death and Disability Benefit
- Contractual premium is R1 000 and policy fee is R30
- He qualifies for 30% LifeReturns® discount
- Discounted total premium will be: R730 [R1 000 *0.7 + R30]

LifeReturns® technicalities – Modified Death Benefit

Modified Death Benefit example

- Cindy completes the screening and qualifies for 20% LifeReturns® discount

- After underwriting, she only qualifies for a Modified Death Benefit

- Because this is the only benefit on her policy, she will not enjoy any discount

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LifeReturns® technicalities – Last Survivor Death Benefit

Last Survivor Death Benefit example

Example 1:

- Thabo and Sophie are both insured lives
- They both complete the screening
- Thabo gets 10% discount and Sophie gets 25%
- The discount that will apply on the Last Survivor Death Benefit is 10% for both lives
- Other benefits that they may have on their policies will get the discount applicable to each life

Example 2:

- Sophie does not complete the screening to activate her discounts and therefore has a 0% discount
- Discount for the Last Survivor Death benefit is 0% as the lowest discount (0%) will apply

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LifeReturns® technicalities – Funeral Benefit

Funeral Benefit example

- Nelson and Mandy are the underwritten lives

- Sam is their child and Grace is their parent (Nelson's mother)

- Nelson gets 5% which will be applied to his benefits and Mandy gets 35% which will be applied to her benefit

- Discount for Sam and Grace's benefits is 5%

LifeReturns® technicalities – Underwriting decisions

Underwriting loadings have no impact on LifeReturns® discounts

Example:

Before underwriting:

Oscar qualifies for 20% discount with a contractual premium of R1 030 (incl R30 policy fee)

His discount premium will be: R830 [R1 000*0.8 + R30]

After underwriting:

The underwriting decision is to apply a 50% loading on his premium

His new contractual premium is now: R1 530 [R1 000*1.5 + R30]

His new discounted premium will be: R1 230 [R1 500*0.8 + R30]

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Thank you for attending this training module!

Please also reference the Frequently Asked Questions document that supports this module as it provides answers and examples to some of the most frequently asked questions regarding LifeReturns®