

LIMITED

OFFER



## DOUBLE PURPLE VITALITY FUND OFFER

Get an immediate 40% boost to the base life cover for three years at no additional initial premium

Your clients can boost their initial Purple Vitality Fund by a further 20% to provide a total of 40% additional base life cover at no additional initial premium over the first three years of their policy, providing a highly competitive premium for your Purple Life Plan clients.

**TECHNICAL FLYER | 2022**



# Discovery Life's Purple Vitality Fund

A deterioration of your client's health could mean they cannot purchase additional life insurance at a time when they need it most. To ensure that clients can remain fully protected for the duration of their policy, Discovery Life's Purple Vitality Fund uses policyholder-generated health and wellness surplus to provide highly efficient cover over the first three, six or nine years of a client's policy. The Purple Life Plan automatically includes the Purple Vitality Fund, which enables clients to earn up to 78% additional life cover, with no additional underwriting, by managing their health and wellness.

## Years 1 to 3

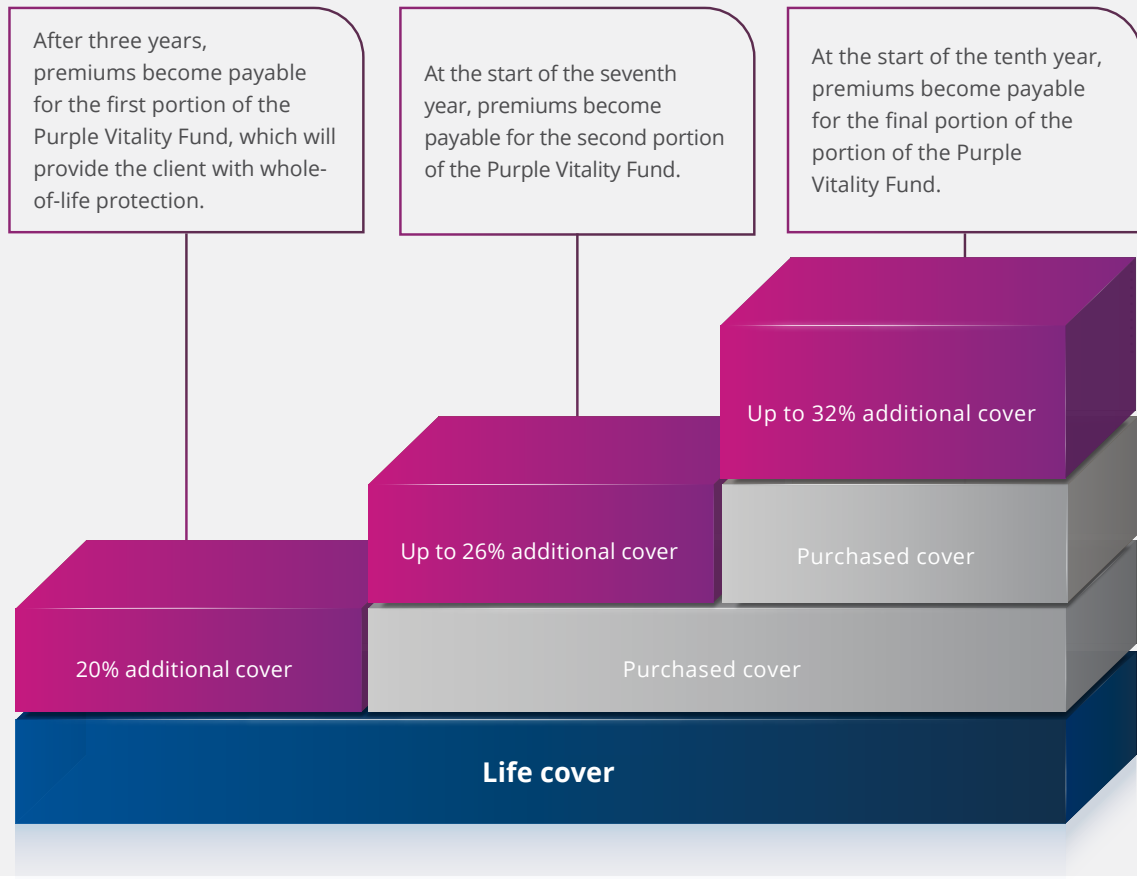
The Purple Vitality Fund provides an immediate 20% boost to a client's base life cover (excluding any Cover and Financial Integrator Funds) at no additional initial premium.

## Years 4 to 6

After three years, this additional cover is purchased, unlocking a further portion of base life cover at no additional initial premium for three years. Based on the client's Vitality status in the last three years, this portion is up to 26% of base life cover and is free of underwriting.

## After year 6

Purchasing the second portion of the Purple Vitality Fund unlocks the third and final portion of the Purple Vitality Fund. This provides additional base life cover of up to 32% at no additional premium, for the following three years.



Your client's Vitality status over the period will determine the percentage of additional base life cover unlocked in the second and third period. The annual percentage earned, as per the below table, will be summed to determine the following period's additional base life cover.

Vitality status	None/Blue	Bronze	Silver	Gold	Diamond
Percentage discount	-2%	-1%	0%	1%	2%



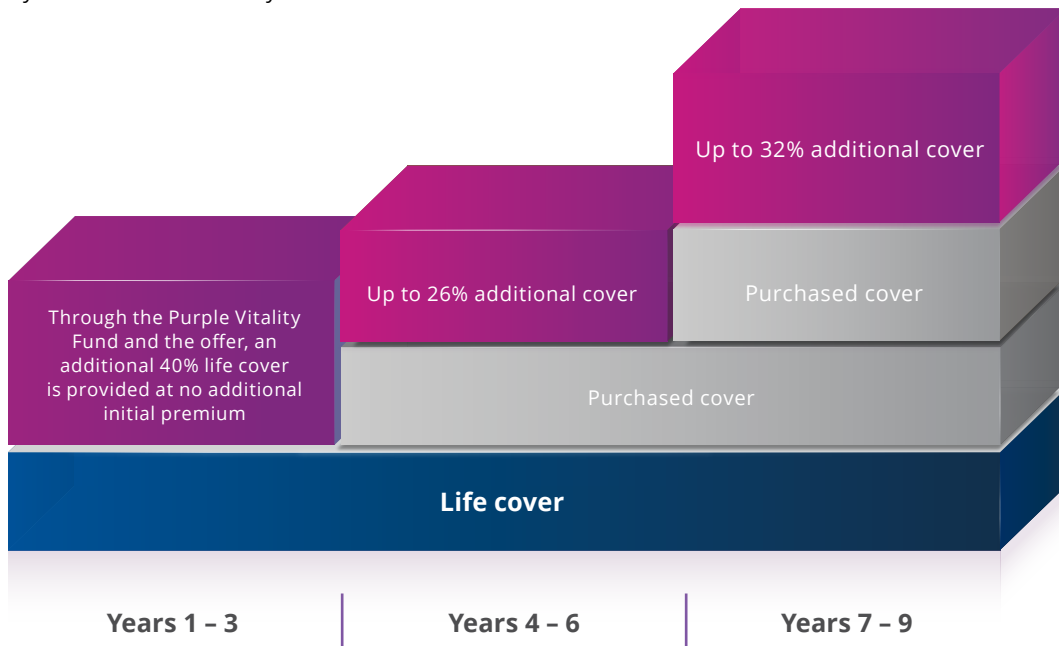
# Double Purple Vitality Fund offer

*An immediate 40% boost to the base life cover for three years at no additional initial premium*

This offer will boost the initial Purple Vitality Fund by a further 20% to provide a total of 40% additional base life cover at no additional initial premium for the first three years of your client's policy.

After three years, half of the Purple Vitality Fund can be purchased at new business rates. On purchasing this cover, the other half will continue at no cost for a further three years. This amount will be further adjusted, by up to 6%, according to the client's Vitality statuses over the first three years.

At the end of the sixth year, the second portion of the Purple Vitality Fund can be purchased at new rates and free of underwriting. This unlocks a further portion of up to 32% of the Purple Vitality Fund, depending on the client's Vitality status over the last six years.

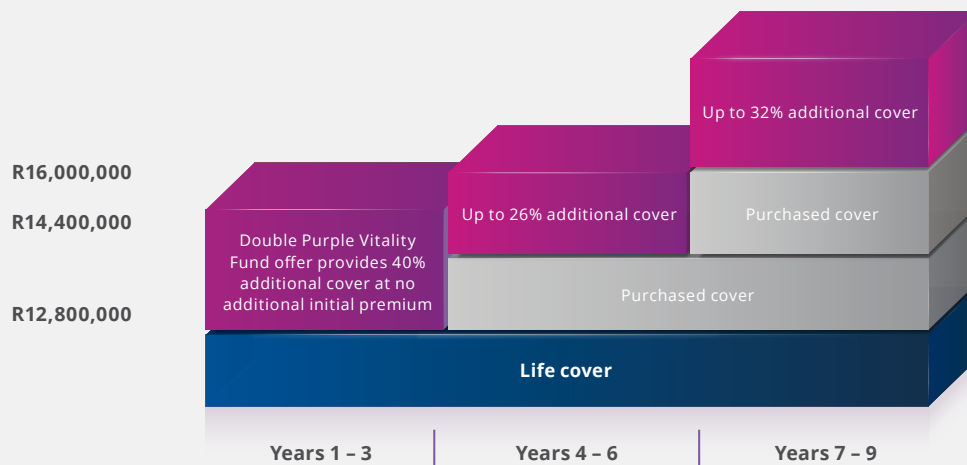






## MEET MARK

Mark, a 45-year-old male, takes out a Purple Life Plan, with a base Life Fund of R8,000,000 with 40% Cover Integrator and 20% Financial Integrator. This results in R12,800,000 total life cover. Mark has 50% Capital Disability and therefore meets the requirements to be comprehensively integrated.



Assumptions: Annual Benefit Increase is CPI%, CPI is a constant 5% each year, Funding pattern: AcceleRater, Integration: Comprehensive Health Integrator, Non-smoker, Rating category: Class 1

### 01

#### First portion of Vitality Fund

Mark qualifies for the Purple Vitality Fund and receives R1,600,000 additional life cover for the first three years, for which no additional initial premium is charged. He also qualifies for the Double Purple Vitality Fund offer and therefore receives an additional R1,600,000 life cover, at no additional initial premium, for the first three years. This additional cover will increase in line with his chosen Annual Benefit Increase.

This means that Mark is getting R16,000,000 life cover for the price of R12,800,000 life cover. This amounts to an upfront premium saving of 20%.

At the end of the third year, Mark's base life cover has grown to R9,261,000. He chooses to purchase his Purple Vitality Fund, which has grown to R1,852,200 and therefore, retains the second portion of the Purple Vitality Fund, at no additional initial premium.

### 02

#### Second portion of Vitality Fund

In the first two years Mark achieves a Gold Vitality status and in the third year he reaches Diamond status. This allows Mark to access additional base life cover from the Vitality Fund of 24%. This means Mark receives R2,222,640 additional life cover from the start of the fourth year for which no premium will be charged.

At the end of the sixth year, Mark opts to buy-up the second portion of the Purple Vitality Fund that has grown to R2,572,984, at new business rates and free of any additional underwriting. He has now unlocked the third and final portion of the Purple Vitality Fund.

### 03

#### Third portion of Vitality Fund

Mark maintains his Diamond status throughout, and unlocks a further 30% of the current base Life Fund at no additional premium for the next three-year period. This amounts to R3,216,230. At the end of the ninth year Mark can buy up this Vitality Fund cover, which has grown to R3,723,188, free of underwriting.







## TECHNICAL DETAILS

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- This offer applies to new Purple Life Plans uploaded between 1 April 2022 and 30 September 2022 (inclusive) with a Date Of Commencement between 1 March 2022 and 1 December 2022 (inclusive).
- This offer will only be available to new business policies and on conversion to a Purple Life Plan, where the client has never had a Purple Vitality Fund.
- Policies must have an Annual Benefit Increase of CPI.
- The client must have a Vitality Rating and must be A1 across all benefits.
- The limited offer will be removed where the Life Fund (including the Cover and Financial Integrator) on an existing Business Life Plan is reduced or lapsed from:
  - 1 April 2022 until 28 September 2022 where the new policy was taken out prior to 1 July 2022
  - 1 July 2022 until 28 December 2022 where the new policy was taken out after 1 July 2022.
- The Purple Vitality Fund is subject to a maximum of R10 m, increasing annually with the policy Annual Benefit Increases.



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