



Competitor Update

September 2009

Why GREENLIGHT instead of Discovery Life for my clients?

GREENLIGHT

LIFE COVER

EARNING ABILITY COVER

LIFESTYLE ADJUSTMENT COVER

FUTURE NEEDS COVER

CLAIMS STATISTICS
PRODUCT ADVICE
GREENLIGHT CARE 4U

	GREENLIGHT	Discovery Life
Life Cover	Term Cover	
	<p>GREENLIGHT offers affordable term cover with a built-in conversion option. Conversion can be to a term or whole of life equivalent benefit.</p> <p>The minimum term is 5 years and the maximum term is determined by the benefit cease age (e.g. max term of 50 years on Disability Cover)</p> <p>GREENLIGHT also offers premium guarantees of up to 25 years on term cover contracts.</p>	No equivalent benefit.
	Underwriting Credit	
	<p>GREENLIGHT offers a unique underwriting credit that allows the life covered to increase their life cover to the lower of:</p> <ul style="list-style-type: none"> the upper level of the cover band for which they have been underwritten, or double their initial cover <p>This must be done within a year of the contract start date and only applies to standard lives.</p> <p>This is a permanent GREENLIGHT special offer.</p>	No equivalent feature.

	GREENLIGHT	Discovery Life
General contract features	Priced for Life	
	<p>GREENLIGHT benefits are priced for life, which means that premiums are set with the expectation of unchanged premiums at the end of the guarantee period. Premiums will only be adjusted if the likely future experience on the particular benefit is significantly different to what was initially expected. Premiums can be adjusted upwards or downwards.</p> <p>Past profits and losses will not affect the reviewed premium.</p> <p>GREENLIGHT has, to date, not reviewed any premiums after the guarantee period has expired, and we have had four 5-year guarantee reviews already. These clients have rolled over into new 5-year guarantee periods without any premium changes.</p> <p>This is a testimony to our priced for life philosophy.</p>	<p>With Discovery, there is no premium certainty with their Integrated Life Plans.</p> <p>The premiums for all benefits on the Life Plan may increase or decrease annually on the policy anniversary by an additional percentage, depending on the amount of all submitted claims on the life assured's Health Plan and on his/her Vitality status, or depending on the transactions on the life assured's DiscoveryCard.</p> <p>Your premiums can increase by up to 3.9% on the Health Integrater, and 7.5% on the DiscoveryCard Integrater per annum, over and above your selected contribution increases. After 5 years your premium can also be up to 20% higher through integration than without being integrated on the Health and Vitality Integraters.</p> <p>Decreases are only limited to 0.5% per annum for the majority of Discovery clients.</p>
	Client Support	
	<p>GREENLIGHT CARE4U provides not only financial support, but also practical and emotional support when life happens. Learn more about our health and legal telephonic support, the placement of armed guards at your property after a burglary, discounts on security for your home, body repatriation for you and your domestic staff from anywhere in the world to the closest local place of burial, and loads more...</p> <p>GREENLIGHT CARE4U offers free unlimited access to the Life Covered's immediate family and domestic employees.</p>	<p>No equivalent benefit.</p> <p>Discovery offers the Vitality wellness program with a monthly subscription fee.</p>

	GREENLIGHT	Discovery Life
Earning Ability	Comprehensive Disability	
	<p>GREENLIGHT's Comprehensive Disability benefit can cater for Own, or Own or Similar occupation.</p> <p>GREENLIGHT's definition of Own Occupation Disability only requires the inability to perform the material and substantial duties of one's occupation</p> <p>GREENLIGHT's Comprehensive Disability includes the 100% Daily Task benefit that covers a wide range of functional impairments by looking at the outcome of the condition only.</p> <p>GREENLIGHT has a six-month waiting period that can be waived once permanence is established.</p>	<p>Discovery does not have an Own or Similar occupation offering.</p> <p>Discovery requires total inability to perform your nominated occupation.</p> <p>Discovery's Comprehensive Plus Capital Disability benefit contains complex medical criteria that require extensive medical knowledge to interpret, with 50% and 100% payouts.</p> <p>Discovery has condition specific waiting periods like treatment for at least two years or symptoms persisting for at least 6 months.</p>
	Functional Impairment	
	<p>GREENLIGHT's Daily Task benefit contains simple definitions that a lay person can understand, and pays out 100% of the sum assured. For instance, a NYHA Class 3 claim under Discovery receives a 50% payout. The Daily Task Test's required 6 points are scored under Effort Tolerance, plus additional scoring under Mobility and Balance.</p> <p>GREENLIGHT's Daily Task Test allows multiple scoring in the same Daily Task Test category as shown above.</p> <p>Your general practitioner will be able to assess your scoring under the Daily Task Test.</p> <p>The Daily Task benefit also covers all major physical impairments.</p>	<p>No equivalent benefit.</p> <p>Functional impairment definitions are included under the Capital Disability benefit.</p> <p>Activities of Daily Living (ADL) allow you to score only once per category.</p> <p>Discovery Life reserves the right to request an Occupational Therapist's assessment of ADL functioning, using standardised assessment methods.</p>

	GREENLIGHT	Discovery Life
Earning Ability	Income Disability	
	<p>GREENLIGHT offers the highest long-term income replacement cover in the market, with under 30's qualifying for 90% income replacement, and under 35's for 85% income replacement. This level of income replacement is maintained throughout the life of the contract.</p>	<p>Discovery only offers 75% income replacement, with an upgrade to 100% income replacement only when meeting the Category A (most severe) medical definitions under the Capital Disability benefit.</p>
	<p>100% of income can be insured under GREENLIGHT's Temporary Income Benefit, which can be combined with the Own Occupation Income Benefit or lump sum benefits to provide the most comprehensive disability solution.</p>	<p>No equivalent benefit.</p>
	<p>The Temporary Disability Benefit also has a unique income advance of 1, 2 or 4 month's salary payable at the end of the benefit payment set of 6, 12 or 24 months.</p>	<p>No equivalent feature.</p>
	<p>Employer and employee medical aid and retirement contributions can be included at 100%, effectively increasing the income replacement percentage for a client from say 75% to 80%.</p>	<p>No equivalent feature.</p>

Lifestyle Adjustment

GREENLIGHT

GREENLIGHT has market leading Severe Illness benefits with 100% benefit payments for Cancer Stage 1 (60% of reported cancers), mild Heart Attacks (50% of reported heart attacks) and moderate strokes (40% of reported strokes) under our Core, Comprehensive and Extensive benefits.

GREENLIGHT is also first to implement the new industry standard definitions (SCIDEP) grid in their quotes and policy contracts. The following 4 causes make up 93% of all our critical illness claims, and are covered at 100%.

Core / Comprehensive / Extensive Severe Illness:

SCIDEP	Level A	Level B	Level C	Level D
Heart attack	100%	100%	100%	100%
Stroke	100%	100%	100%	100%
Cancer	100%	100%	100%	100%
CABG	100%	100%	100%	100%

GREENLIGHT also has no condition specific waiting periods. GREENLIGHT has very simple definitions that contain minimal medical jargon to remove advice risk.

GREENLIGHT's PLUS benefits also offer multiple claims from unrelated causes at 100%. GREENLIGHT pays 100% irrespective of the severity of the illness.

Discovery Life

Severe Illness

Discovery's LifeTime Severe Illness should be selected when being compared to GREENLIGHT's Comprehensive Severe Illness. LifeTime Plus should be selected for GREENLIGHT's Extensive Illness.

LifeTime and LifeTime Plus Severe Illness: (3 dependants)

SCIDEP	Level A	Level B	Level C	Level D
Heart attack	145%	101%	63%	31%
Stroke	175%	175%	175%	58%
Cancer	145%	145%	73%	29% / 34%
CABG	101%/135%	63%	63%	63%

Discovery's claims statistics show that less than 20% of the number of claims paid fall into the most severe category (Category A), and that almost 50% of the number of claims paid fall into categories C and D. So half of all clients with successful claims will therefore only receive between 29% and 73% on the LifeTime option for Heart Attack, Cancer and CABG.

Discovery has condition specific waiting periods like permanency being established after 3 months or two tests 3 months apart. Discovery has complex medical definitions that are only fully understood by people from a medical background.

Discovery states that the possibility of a recurring heart attack or stroke is 25% to 30%. So only 25% to 30% of clients with mild heart attacks or strokes (50% payout) may submit an additional related claim, but will only be paid if the second event is more severe than the first one.

	GREENLIGHT	Discovery Life
Claims statistics	Claims payout ratios	
	<p>Old Mutual provides comprehensive claims statistics on what percentage of claims are paid compared to the total number of claims received. This is called the claims payout ratio, and Old Mutual pays 97% of all claims received (decline 3 out of every 100 claims)</p> <p>Old Mutual also provides detailed claims payout ratios per needs category (death - 99.5%, disability - 82.7%, illness - 85.4%), and the reasons for decline.</p>	<p>Discovery only provides a total claims payout ratio across all product sets of 91% (decline 9 out of every 100 claims). This is three times higher than the level of declines with Old Mutual.</p> <p>Discovery does not disclose claims payout ratios by needs category.</p>

	GREENLIGHT	Discovery Life
Product Advice	ERNI	
	<p>ERNI (Easy Risk Needs Indicator) is your pocket actuary and simplifies the reasonably complex world of risk product advice. ERNI takes your client information and preferences into account to recommend the most comprehensive GREENLIGHT solution, given your client's needs. ERNI is fully integrated with Front Office, and automatically produces multiple quotes.</p> <p>ERNI also has artificial intelligence built in to deal with product rules and what combination of benefits your client qualifies for. You can also amend the recommended solution and record the rationales behind the benefit recommendation.</p> <p>ERNI also produces a Risk Proposal Report that contains a summary of the benefit recommendations and the rationales behind them, which can form part of your client advice records.</p> <p>ERNI is even quicker with multiple quotes than our product actuaries!</p>	<p>No equivalent feature.</p>

DISCLAIMER

This product comparison was done in September 2009. While every effort has been made to ensure that the information is accurate products do change often so Old Mutual does not give any guarantee, expressly or implied, in this regard. This document should therefore only be used as business tool and should not be construed as being advice to a client. Should there be a dispute of fact or of interpretation the terms and conditions of the contract shall prevail in all cases. It's recommended that one first seeks professional advice from an authorised, accredited adviser in regard to any financial products.