



INSURANCE FOR
PROFESSIONALS

PPS Business Life Provider™

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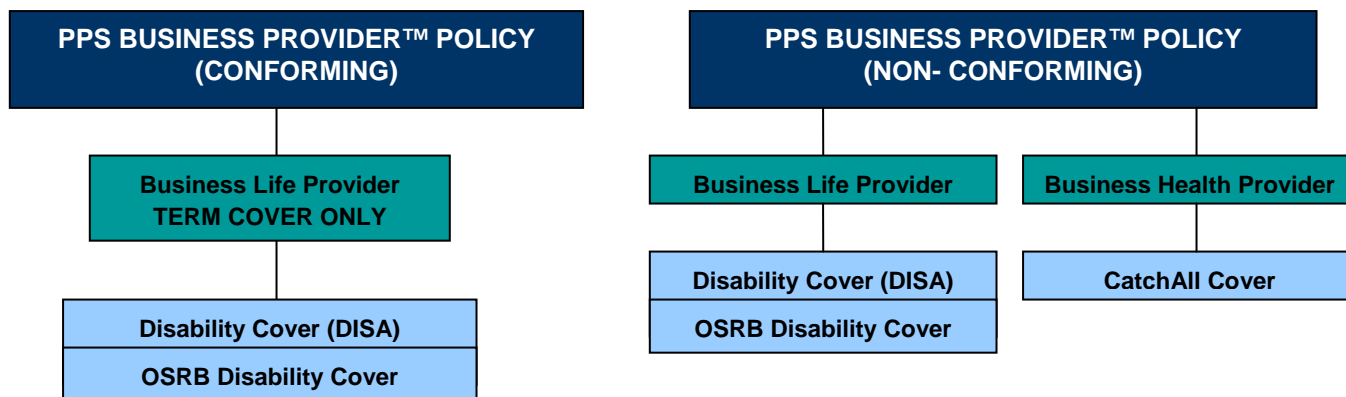
1. INTRODUCTION

Most businesses have key individuals and/or partners that are relied on and who contribute substantially to the success of that business. The running of a business also entails risks, for example, the loss of valuable personnel or major shareholders due to death or disability. PPS acknowledges this valuable internal relationship.

The PPS Business Life Provider™ seeks to protect the business, against the financial impact of this type of loss, by providing life cover, including a Terminal Illness Benefit as well as optional disability cover (DISA) with OSRB disability cover if required that together will address these needs. By providing lump sum benefits in the event of death or disability of a key individual, the owners or remaining partners/members will be financially empowered to deal with all business contingencies following such an event without having to disrupt the business.

2. PRODUCT OVERVIEW

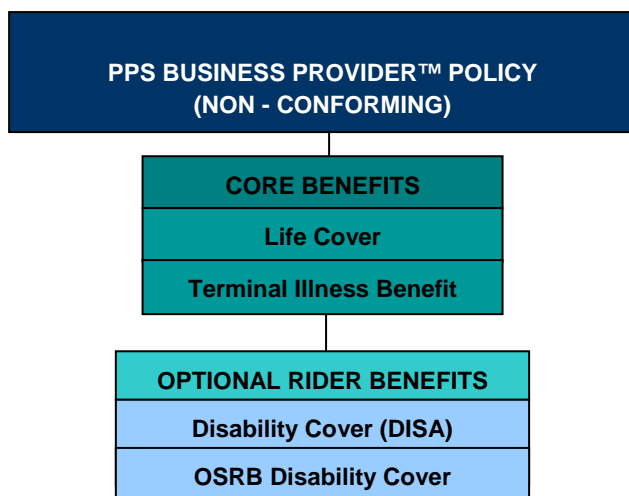
The PPS Business Life Provider™ is just one of the risk products offered as part of the PPS Business Provider™ range of products. There are two Business Provider policies; the one policy has a conforming Business Life Provider product and the other policy a non-conforming Business Life Provider and Business Health Provider product.



The life cover pays a lump sum in the event of death. The Terminal Illness and Immediate Needs Benefits are automatically included at no additional premium. The policyholder is able to select either term or whole of life, life cover. In addition, disability cover (DISA) is available as an optional rider benefit.

Optional OSRB benefit is available at an additional premium. This OSRB disability benefit ensures that at claim stage the assessment is based on your inability to do your own nominated occupation.

The structure of the non- conforming PPS Business Life Provider™ product:



This life cover and disability cover (DISA) provides the insurance cover necessary to fund any of the following

Business Assurance agreements:

- Key Person Assurance.
- Buy Sell Agreements.
- Contingent Liability Assurance.

Note: Student policyholders may apply for Business Assurance. All business assurance requirements including all underwriting requirements will apply.

Who is Eligible for PPS Business Life Provider™?

- The life insured must be eligible for PPS membership. The policyholder can, for example, be a company, business partner or employer and does not have to be eligible for PPS membership.
- The life insured cannot be the applicant for cover under the Business Life Provider, since this will have estate duty tax implications.
- A business or individual insuring an eligible life, may apply for Business Assurance on, for example, the life of:
 - a key person in his/her employ, *and/or*
 - a co-business owner/partner sharing the business interest, *and/or*,
 - a member or shareholder of the business who stands surety or has provided personal security for a loan taken out by the business.

What is an “Insurable Interest?”

- The business owner must have (at time of application) an insurable interest in the life insured.
- This interest must be of economic value and a financial loss will be suffered due to death or disability of the insured's life.
- The onus will be on the business owner to provide the necessary proof that such an insurable interest exists.
- In respect of cover obtained to fund a Contingent Liability Assurance agreement, the policyholder needs to supply the particulars of the loans the life insured stood surety for as part of the financial underwriting requirements.

Parties to the Contract

- The life insured cannot be the payer or the policyholder.
- There can only be one life insured, policyholder and payer per policy.

Financial Underwriting

- Financial underwriting will be applied to any application for Business Assurance irrespective of the amount of cover applied for.
- The objective of financial underwriting is to:
 - establish the insurable interest;
 - determine whether the policyholder will be able to pay the premiums in respect of the cover amount;
 - ensure that the policy benefits will not enrich the beneficiaries or business;
 - determine that the amount applied for meets the policyholder's needs.

Medical Underwriting

- If a life insured has a pre-existing condition, the policyholder will be able to apply for cover subject to the underwriting criteria and conditions as determined by the PPS Chief Medical Officer's underwriting policy.
- The life insured is not restricted with regards to travel, residence or hazardous pursuits.

See Annexure 1 – Medical Underwriting Requirements

Payment of Premiums

- There is only one payer per PPS Business Life Provider™ product, multiple payers are not allowed.
- The payer cannot be the life insured.

Premium Pattern

- Premiums are calculated based on the life insured's age next birthday. Age next birthday is equal to actual age + 1.
- Premium patterns differ for whole life and term products.
- The premiums are not guaranteed.
- The **PPS Whole Life** premium pattern is applied to the **whole of life cover**.
- An **age related** premium pattern is applied to **term life cover, disability cover (DISA) and OSRB disability cover**.

PPS Whole Life Premium Pattern

- The premiums for whole of life cover will be calculated with respect to age next birthday at policy inception. The premiums are determined with reference to the age next birthday of the life insured.
- Each year, in the month after the life insured's birthday, these premiums will increase by a percentage based on the life insured's age.
- The PPS Whole Life premium pattern percentage increases are based on a professional's likely pattern of salary growth.

- At a younger age, increases are low whilst a career is being established and income is growing more slowly.
- Post-retirement, the increases are again lower increasing in line with current inflation expectations.
- The percentages and premium rates are not guaranteed
- The percentage increases are as follows:

Age	Escalating percentage
Up to 29	0%
30 to 40	3%
41 to 50	6%
51 to 66	8%
67 onwards	6%

- The declared annual increases will result in the cover increasing by the declared percentage on 1 January each year. The premium for this increased cover is based on the life insured's age next birthday at the time of the increase.
- If a policyholder wishes to increase the sum assured, the premium for the additional amount will be calculated according to the life insured's age next birthday at that time.

For Example:

Mr Company, applies for whole of life cover of R 200 000 on the life of an employee, age 30, to fund a Key Person Assurance agreement. The premium will be calculated with respect to age 31 next birthday. Each year this premium will increase in the month after the life insured's (the employee) birthday by the set PPS Whole Life premium pattern percentage increase and on 1 January premiums will increase in line with declared increases.

15 Years later, Mr Company, decides to increase the sum assured of this whole of life cover by R 50 000. His employee, the life insured, is now aged 45. The premium for this additional cover will be calculated with reference to age 46 next birthday, since premiums are calculated with reference to the life insured's age. This amount will be added to the current premium to determine the total new premium.

Age related premium pattern

- The premiums for term life cover, disability cover and OSRB disability cover will be calculated with respect to age next birthday, of the life insured, at policy inception and will increase annually thereafter based on the age next birthday of the life insured.
- Premiums will increase annually in the month after the life insured's birthday.
- The declared annual increases will result in the cover increasing by the declared percentage on 1 January

each year. The premium for this increased cover is based on the life insured's age next birthday at the time of the increase.

- If a policyholder wishes to increase the sum assured, the premium for the additional amount will be calculated according to the life insured's age next birthday at that time.

Premium Frequency

- Premiums are payable monthly, quarterly, semi-annually or annually in advance. The policyholder may select the premium frequency.
- A discount of 5 percent shall be granted on premiums paid twelve months in advance and a discount of 2,5 percent on premiums paid six months in advance.
- Policyholders are able to select a debit order date of either the 1st or 15th of each month.
- Premiums must be paid before the fifteenth day of the month in respect of which the premium is payable.

Temporary Cessation of Premium Payments (TCPP)

- The option of temporarily ceasing premium payments **is not available** on the PPS Business Life Provider™.

Commencement of Cover

- The policyholder will be able to choose the date of commencement of cover on the application form.
- The date of commencement selected by the policyholder can be any date in the 30-day period starting from the date on which the application form was completed.
- The actual date of commencement of cover will be subject to PPS accepting the application. Therefore:
 - if the chosen date of commencement is before the underwriting process has been completed, the actual date of commencement will be the date on which PPS accepts the cover; or
 - if the chosen date of commencement is after PPS has completed its underwriting process, the actual date of commencement of cover will be the date indicated by the applicant on the application form.
- If the actual date of commencement is any day other than the 1st day of a month, PPS will calculate a pro-rata premium with respect to the actual date of commencement. This will be collected with the first full premium.

Declared Annual Increases

- Annual benefit increases may be declared, at the discretion of PPS Insurance, to reduce the eroding effects of inflation on benefits.
- Benefits will increase by the declared percentage on 1 January each year.
- Premiums for the increased cover will be based on the life insured's age next birthday at the time of the

increase.

- The declared annual increase is granted without further medical underwriting.
- The declared annual increases apply to all the benefits on the product (including life cover and disability cover or OSRB disability cover, if this rider benefit is attached to the life cover).

Additional Cover

- A policyholder may apply for additional life and/ or disability cover and/or add OSRB disability cover (subject to the maximum benefit limits).
- The life insured is re-underwritten when any additional cover is applied for.
- Additional financial underwriting may also be required when there is an application to increase cover.
- A policyholder may increase the sum assured of whole of life cover until age 74. Thereafter, the sum assured will only increase due to declared annual increase.
- A policyholder will be able to increase the sum assured of the term life cover and disability cover throughout the term of the cover.

Reduction of Cover

- A policyholder may also reduce the sums assured of life and/ or disability cover, and/or remove OSRB disability cover subject to the minimum benefit limits.
 - The last cover received will be reduced first. This will include removing any loadings and exclusions relating solely to the cancelled portion of the cover.

Reinstatement of Cover

- If a policyholder does not pay premiums for more than two months the cover will cease.
- The policyholder will be able to reinstate the policy, subject to underwriting, if the following conditions are met:
 - All arrear premiums (with interest at the legal rate) are paid within three months of the termination.
 - No benefits shall be payable during the period from the date of termination to the date PPS agrees to reinstate the cover.
 - No benefits shall be payable with respect to any claim events that occurred during the period from the date of termination to the date PPS agrees to reinstate the cover.

Changing Occupation

If a life insured stops practising his/her qualified profession or changes his/her occupation to one not eligible for PPS membership, the following will apply:

- Life cover and Terminal Illness Benefit will **not** cease and the policyholder cannot increase cover amount.
- Declared annual increases will still apply and the policyholder can still convert from term to whole of life.
- A policyholder will **not** be able to retain the disability and OSRB disability cover.

Exclusions

No benefits will be paid in terms of the disability cover, OSRB disability cover or the Terminal Illness Benefit of the Business Life Provider if a claim for benefits arose directly or indirectly from any of the following events:

- deliberate involvement of the life insured in war, invasion, hostility, civil war, rebellion, act of foreign enemy, warlike operations and accidental or deliberate explosion of weapons of war, during war or as a result of a previous war;
- deliberate involvement of the life insured in terrorism, sabotage, or other acts involving violence or the use of force or not, which acts, from its nature or context are done in connection with political, social, religious, ideological or similar causes or objectives;
- deliberate involvement of the life insured in strikes, labour disturbances, riots and civil commotion;
- atomic energy, nuclear fission or reaction;
- directly or indirectly attributable to, continued by or aggravated by excessive indulgence in liquor or drugs, immorality or disorderly conduct;
- indirectly attributable to, continued by or aggravated by intentionally self-inflicted or intentionally self-induced events, circumstances, disease, illness, injury or disability.
- the result of the consumption of a poisonous substance that would be known by a reasonable person to be harmful;
- due to an act committed by the life insured or the policyholder that constitutes a breach of any law.

Suicide or Execution of Death Sentence Exclusion

A payment of the life cover sum assured will not be made if the death of the life insured was as a result of:

- suicide committed within 24 months after either the date of commencement of cover or date of reinstatement of cover or date of increase in cover for the increased cover (other than through declared annual increases); **or**
- the execution of the death sentence on account of an offence committed before or within 24 months after commencement or reinstatement of cover or date of increase in cover for the increased cover (other than through declared annual increases).

Termination of Cover

The life cover will cease on one of the following events occurring:

- When the life insured dies.
- When the selected term ends (term life cover).
- Cancellation by the policyholder.
- Termination of life insured's PPS membership at Holding Company level.
- Cancellation by PPS Insurance Company.
- Non-payment of premiums.
- Reduction of the life cover sum assured to R 0.

Cessions

- Two types of cessions are available on the PPS Business Life Provider™:
 - Partial Security Cessions
 - Complete Security Cessions

Note: Cover can be ceded to a person, company, organisation or trust, but **not to** the life insured under the product.

See Adviser's Guide on Cessions for further information on Cessions

Conversion of an Individual PPS Professional Life Provider™ Product to a PPS Business Life Provider™ Product and Vice Versa.

Policyholders **are not able** to convert their individual PPS Professional Life Provider™ product to a PPS Business Life Provider™ product (and vice versa) due to the tax and estate duty implications of such a conversion.

Conversion to conforming PPS Business Life Provider™

It is not possible to convert **non-conforming** PPS Business Life Provider™ cover to **conforming** PPS Business Life Provider™ cover.

Surplus Rebate Account (SRA)

The PPS Business Life Provider™ **does not qualify** for a Surplus Rebate Account (SRA). The reason for this is that the policyholder does not have to qualify for PPS membership. The policyholder could be a company or a competitor and therefore should not benefit from the operating profits of PPS.

Termination of Employment Options

- It is not possible for the business to outright cede a PPS Business Life Provider™ back to the life insured upon termination of employment.
- The life insured may apply for individual life cover, either term cover or whole of life cover under the PPS Professional Life Provider™.
- The life insured will not have to undergo any medical underwriting if:
 - cover is applied for within one month of the surrender of the life cover under the PPS Business Life Provider™; and
 - the reason for the surrender of the product is the termination of the life insured's employment; and
 - cover is applied for on a "like for like" basis.
- Applying for cover on a "like for like" basis means that the benefits applied for (i.e. life cover and/ or disability cover and OSRB disability cover) and the sums assured requested are the same as that of the surrendered cover.
- Financial underwriting will be applied and therefore the sum assured may be less, than it was under the Business Life Provider.

PRODUCT FEATURES: CORE BENEFITS

Whole of Life Cover

Benefit type

This is a stand-alone lump sum benefit. This option allows cover for the whole of the insured's life and premiums are payable until death or termination of cover.

Entry ages (Entry age limits apply to the life insured)

Minimum entry age	Life insured must meet PPS eligibility criteria
Maximum entry age	74

Benefit limits (as at 1 January 2009)

Minimum	R 100 000
Maximum	R 14 079 906

Note:

- The maximum cover allowed will be applied separately for Business Assurance and individual products, i.e. it will be possible for a life insured to have life cover (term and/or whole of life) under the conforming and non-conforming PPS Business Life Provider™ up to the maximum of R 14 079 906 as well as life cover (term and/or whole of life) under the Professional Life Provider up to the maximum of R 14 079 906. Note that aggregation of benefits will be done across the conforming and non conforming PPS Business Provider™ products.
- A benefit amount in excess of the specified maximum may be applied for. Each request for a benefit amount exceeding the benefit limit will be individually assessed.

For Example:

Mr. Client has life cover under the Professional Life Provider of R 8 000 000, he is the owner/payer and his wife is the beneficiary. He is also the life insured on a key person policy (PPS Business Life Provider™) effected by his employer with life cover of R 11 000 000. His company is the owner, payer as well as the beneficiary.

Premium pattern

The PPS Whole Life premium pattern is applied.

Waiting Periods

No waiting periods are applied to the whole of life cover.

Term Life Cover

Benefit type

This is a stand-alone lump sum benefit. This option allows the policyholder to select the life cover term they require.

Entry ages

Minimum entry age	Life insured must meet PPS eligibility criteria
Maximum entry age	60

Note: Entry age limits apply to the life insured.

Benefit limits (as at 1 January 2009)

Minimum	R 100 000
Maximum	R 14 079 906

Note:

- The maximum cover allowed will be applied separately for Business Assurance and individual products, i.e. it will be possible for a life insured to have life cover (term and/or whole of life) under the conforming and non-conforming PPS Business Life Provider™ up to the maximum of R 14 079 906 as well as life cover (term and/or whole of life) under the Professional Life Provider up to the maximum of R 14 079 906. Note that aggregation of benefits will be done across the conforming and non conforming PPS Business Provider™ products.
- A benefit amount in excess of the specified maximum may be applied for. Each request for a benefit amount exceeding the benefit limit will be individually assessed.

Benefit Term

The policyholder has the choice of either:

- cover to age 66; or
- cover for a fixed term (in whole years) subject to:
 - a minimum term of 1 year; and
 - a maximum to age 66.

Premium pattern

An age related premium pattern is applied.

Waiting Periods

No waiting periods are applied to the term life cover.

Conversion from Term Life Cover to Whole of Life Cover

Policyholders are able to convert term life cover to whole of life cover any time during the term of the life cover.

The following will apply:

Conversion Age

A policyholder with term life cover will, in terms of the life insured's age, qualify for whole of life cover.

Benefit Term

- The benefit term after conversion corresponds to that of whole of life cover.
- The term of the disability cover (DISA) and/or OSRB disability cover, after conversion will be to age 66 of the life insured.

Premium Pattern

- The life cover will have the PPS Whole Life premium pattern after conversion to whole of life.
- The life cover premiums will increase upon conversion from term life cover to whole of life, life cover for the **same** sum assured.

Waiting Period

No waiting periods are applied on conversion.

Underwriting

- Term policies within two years of inception will be subject to underwriting
- Policies with a term of less than 10 years will be subject to underwriting

Change in Occupation and Conversion

- If a life insured changes his/ her occupation, the policyholder can still convert the term cover to whole of life, however, they will not be able to increase the sum assured of life cover.
- On a change in occupation, the disability cover (DISA) and OSRB disability cover will fall away.

Terminal Illness Benefit

The Terminal Illness Benefit is automatically included with the life cover and **no** additional premium is charged for this benefit.

In the event that the policyholder is diagnosed with a terminal illness (as specified by PPS Insurance) and is likely to die within the next 12 months, the policyholder can claim the Terminal Illness Benefit. In terms of this benefit, half the life cover sum assured is advanced on approval by PPS of the Terminal Illness Benefit claim and the premiums reduce accordingly. The remaining half of the life cover sum assured will be paid on the death of the policyholder. If the disability or OSRB disability cover is then more than the reduced life cover amount, this cover will reduce to be equal to the life cover sum assured. The disability and OSRB disability cover cannot be more than the life cover to which it is attached as these are accelerated benefits.

For Example:

Mr Policyholder has life cover of R 1 000 000. He is diagnosed with a terminal illness and exercises the Terminal Illness Benefit. He receives payment of R 500 000 (50% of the sum assured). In the event of his death, the balance of R 500 000 will be paid to his nominated beneficiaries.

Cessions and the Terminal Illness Benefit

- When a life cover product is ceded, it is ceded in its totality (i.e. the life cover including the Terminal Illness Benefit is ceded).
- If a cession has been taken against a life cover product, a policyholder will still be able to claim the Terminal Illness Benefit.
- If a Terminal Illness Benefit claim is awarded, the cessionary(s) e.g. the Bank, will be paid first and the policyholder will then be eligible to receive any remaining benefit.

Terminal Illness Benefit and Disability Cover

If there is a disability or OSRB disability claim and then a terminal illness claim, the following process will occur:

- the disability or OSRB disability cover will be accelerated against the life cover, and then
- the Terminal Illness Benefit will be accelerated against the remaining life cover amount (i.e. the original life cover amount less the disability or OSRB disability claim amount).

In the event of a simultaneous disability or OSRB disability and terminal illness claims, the disability or OSRB disability benefit will be awarded and accelerated against the original life cover amount first before the Terminal Illness Benefit is awarded and accelerated against the remaining life cover amount (i.e. where the remaining life cover amount is the original life cover amount less the disability or OSRB disability benefit).

Example:

Mrs Employee is the life insured for life cover of R 1 000 000 and disability cover of R 500 000 under a PPS Business Life Provider™. The company that employs her is the owner and beneficiary of the product. In



INSURANCE FOR
PROFESSIONALS

September 2008 she is permanently disabled and the company claims the disability benefit it is entitled to. The life cover benefit is reduced to R 500 000. In October 2011, Mrs Employee is diagnosed with a terminal illness and the company elects to claim the Terminal Illness Benefit. The company receives payment of R 250 000 (50% of the sum assured). In the event of her death, the balance of R 250 000 will be paid to the company.

Note that this example does not include declared annual increases in cover.

PRODUCT FEATURES: RIDER BENEFIT

Disability Cover (DISA)

Benefit Type

The disability cover (DISA) is an optional rider benefit, which is attached to the life cover i.e. it is not a stand-alone benefit. This benefit is paid to the policyholder if the life insured is unable to work due to an accident or illness. The disability benefit accelerates the life cover sum assured when a claim under this benefit is made, which means that the life cover sum assured will be reduced by the amount of the disability claim.

Example:

The policyholder selects R 1 000 000 life cover and R 500 000 disability cover. The policyholder then claims the disability benefit. The life cover benefit is reduced to R 500 000.

Entry ages

Minimum entry age	Life insured must meet PPS eligibility criteria
Maximum entry age	60

Note: Entry age limits apply to the life insured.

Benefit Limits

Minimum	R 12 500
Maximum	100% of the life cover sum assured.

Benefit Term

Whole of life cover

- Disability cover ceases at age 66 (of the life insured).

Term life cover

The term of the disability cover will be the same as the term of the life cover and will cease either:

- at the end of the fixed term; **or**
- at age 66 (of the life insured).

Note: Disability cover (DISA) will cease if there is a change in the life insured's occupation to one which does not meet PPS eligibility.

Premium Pattern

An age related premium pattern is applied.

Benefit Payable

The full disability cover (DISA) benefit selected by the policyholder will be payable in the event that the life assured satisfies the disability criteria (i.e. submits a successful disability claim).

The following disability criteria will apply if a policyholder submits a disability cover (DISA) claim:

- The life insured is in the opinion of PPS Insurance, significantly unable to use his professional training and knowledge to carry out his / her own profession as well as any other profession that could be carried out by persons with similar or comparable qualifications; and
- The disability is in the opinion of PPS Insurance, permanent, significant and severe.

The time period to assess the permanence of the condition will vary based on the condition of the policyholder. There is **NO** standard waiting period. The sum assured will only be paid once the disability criteria are met and the condition is seen as irrefutably and unquestionably permanent.

The following list indicates the types of conditions that will be covered. The list is NOT exhaustive.

Central Nervous System:

- Advanced Stages of Motor Neuron Disease
- Advanced Stages of Multiple Sclerosis
- Advanced Stages of Parkinson's Disease
- Total Loss of Vision
- Total Loss of Hearing
- Total Loss of Speech
- Wheelchair bound
- Paraplegia
- Quadriplegia and Tetraplegia
- Stroke / CVA with significant cognitive dysfunction
- Dementia
- Head trauma with significant cognitive dysfunction
- Total loss of use of dominant hand / both hands

Respiratory:

- End stage Chronic Obstructive Pulmonary Disease (COPD)

Gastro-Intestinal:

- End stage Liver failure

Neoplastic / Oncology:

- Malignant tumours stage III and IV
- Benign tumours of the brain with significant cognitive dysfunction

Infective:

- End stage AIDS related disease

Cardio-Vascular:

- End stage Cardiac failure

Note: The abovementioned is applicable to existing and new policyholders.

Cessions and Disability Cover (DISA)

- When the life cover is ceded, it is ceded in its totality (i.e. the life and disability cover will both be ceded).
- If a cession has been taken against the life cover with disability cover attached, a policyholder will still be able to claim for a disability event.
- If a disability claim is awarded, the cessionary(s) e.g. the Bank, will be paid first, the policyholder will then be eligible to receive any remaining benefit.

PRODUCT FEATURES: DISABILITY RIDER BENEFIT WITH OCCUPATION SPECIFIC RIDER BENEFIT (OSRB DISABILITY)

The Disability Occupation Specific Rider Benefit (OSRB)

By selecting the Occupation Specific Rider Benefit (OSRB) as a rider on the disability benefit (DISA), the disability benefit is assessed on the nominated specific occupation at claim stage.

The Occupation Specific Rider Benefit (OSRB) can be added to the disability benefit at any time, subject to underwriting and meeting the entry age criteria.

An additional premium will be paid for this rider benefit and the assessment of the claims based on the nominated specific occupation, as defined below, will apply only whilst this rider benefit is added and the disability benefit is effectively the OSRB disability benefit.

The Occupation Specific Rider Benefit (OSRB) can also be removed at any time and the definition for claim will revert to the disability benefit definition from this date. The additional premium will also no longer be charged. Commission claw-back will apply in the usual way.

Definition of Claim:

The definition of claim for this OSRB disability benefit is:

If the life insured is disabled during the benefit term, PPS Insurance will pay the sum assured in respect of the disability benefit.

The disability benefit will only be payable if:

- the life insured is in the opinion of PPS Insurance significantly unable to perform his own specific nominated occupation; and
- the disability is in the opinion of PPS Insurance permanent, significant and severe.

All the other product features are identical to the Disability Benefit Product Features.

Note: The OSRB is not available to Student policyholders as they have no own nominated occupation to protect.

SUMMARY OF THE FEATURES OF THE PPS BUSINESS LIFE PROVIDER™

	Life Cover
Type of Cover	Stand-alone lump sum benefit, payable in the event of death.
Eligibility	The life insured must meet the PPS membership eligibility criteria.
Maximum Entry Age	<ul style="list-style-type: none"> • Term: 60. • Whole of life: 74.
Benefit Term	<p>Term Cover</p> <ul style="list-style-type: none"> • Specified in whole years, subject to a minimum of 1 year and a maximum to age 66; or • Term cover to age 66. <p>Whole of life cover</p> <ul style="list-style-type: none"> • Whole of life i.e. until death. <p>Policyholder may convert from term to whole of life, life cover.</p>
Minimum cover	<ul style="list-style-type: none"> • R 100 000
Maximum cover	<ul style="list-style-type: none"> • R 14 079 906, (excluding individual Professional Life Provider products and PPS Life Assurance schemes).
Increase in Cover	<p>A policyholder may apply for additional life and disability cover and/or OSRB disability cover added (subject to the maximum limits and underwriting).</p> <ul style="list-style-type: none"> • Whole of life: can apply for increases in life cover until the life insured turns 74, thereafter, sum assured will only increase due to declared annual increases. • Term life cover and disability cover: can apply for increases in cover throughout the term of the cover.
Decrease in Cover	<ul style="list-style-type: none"> • Amount of life and disability cover can be reduced and/or OSRB disability cover removed, subject to the minimum benefit limits. • The last cover received will be reduced first. This will include removing any loadings and exclusions relating solely to the cancelled portion of the cover.
Reinstatement of Cover	<ul style="list-style-type: none"> • Cover will cease if premiums are not paid for more than two months. • Reinstatement is allowed (subject to underwriting) if all arrear premiums (with interest at the legal rate) are paid within three months of the termination. • No benefits shall be payable during the period from the date of termination to the date PPS agrees to reinstate the cover. • No benefits shall be payable with respect to any claim events that occurred during the period from the date of termination to the date PPS agrees to reinstate the cover.
Cessation of Cover	<p>Life cover ceases when:</p> <ul style="list-style-type: none"> • The life insured dies. • Cancellation by the policyholder. • Non – payment of premiums. • Termination of life insured's PPS membership at Holding Company level. • Cancellation by PPS Insurance Company Board. <ul style="list-style-type: none"> ▪ When the specified term of the term cover has run to completion (term life cover). ▪ Life cover sum assured reduced to R 0
Changing Occupation	<p>If a life insured stops practising his/her qualified profession or changes his/her occupation to one not eligible for PPS membership:</p> <ul style="list-style-type: none"> • the life cover and Terminal Illness Benefit will not cease; • the life cover sum assured cannot be increased; and • disability cover and OSRB disability cover will cease.

Life Cover	
Declared Annual Increases	<ul style="list-style-type: none"> Annual benefit increases may be declared, at the discretion of PPS Insurance, to reduce the eroding effects of inflation on benefits. Benefits will increase by the declared percentage on 1 January each year. Premiums for the increased sum assured are based on age next birthday at the time of increase. The declared annual increase is granted without further medical underwriting. The declared annual increases apply to all the benefits (including disability cover, if present).
Underwriting	<ul style="list-style-type: none"> Financial underwriting is applied. The life insured is not restricted with regard to travel, residence or hazardous pursuits.
Premium pattern	<p>Term life cover and disability cover:</p> <ul style="list-style-type: none"> Age related premium pattern. The premiums payable will increase annually at end of the month of the life insured's birthday. <p>Whole of life:</p> <ul style="list-style-type: none"> PPS Whole Life premium pattern
Premium Frequency	<ul style="list-style-type: none"> Premiums are payable monthly, quarterly, semi-annually or annually in advance. There is a discount of 5% on premiums paid twelve months in advance and a discount of 2,5% on premiums paid six months in advance. The policyholder may select the premium frequency. Policyholders are able to select a debit order date of either the 1st or 15th of each month.
Terminal Illness Benefit	<ul style="list-style-type: none"> Automatically included with the life cover. Accelerates 50% of the life cover sum assured, if the life insured is diagnosed with a terminal illness and is likely to die within the next 12 months. No additional premium.
Cessions	<p>Two types of cessions are available on the life cover:</p> <ul style="list-style-type: none"> Partial Security Cessions. Complete Security Cessions.
Surplus Rebate Account	<ul style="list-style-type: none"> A PPS Business Provider™ policy does not qualify for a Surplus Rebate Account (SRA).

	Optional Rider Benefit
Disability Cover (DISA)	<ul style="list-style-type: none"> Accelerated benefit, attached to the life cover (whole of life or term cover). Policyholder may choose whether or not to include it. Premium pattern is age related. The full benefit will be payable in the event that the life insured satisfies the disability criteria. Limited to a maximum of 100% of the life cover sum assured. Cover will cease if a life insured changes occupation to one not eligible for PPS membership. OSRB available at additional premium <p>Whole of life cover</p> <ul style="list-style-type: none"> Disability cover ceases at age 66 (of the life insured). <p>Term life cover</p> <p>Disability cover will cease when the term life cover to which it is attached expires. Therefore the term of the disability cover will end either:</p> <ul style="list-style-type: none"> at the end of the fixed term of the term life cover; or at age 66 (of the life insured).

FEATURES OF THE PPS Business Life Provider™

- Life and disability benefits provide cover for the financial impact of an untimely death or disablement of a key employee, partner or surety. The PPS Business Life Provider™ will assist in ensuring that the operations of the business continue as smoothly as possible and the impact on sales, productivity, expenses, loyalty etc. is minimised.
- The PPS Business Life Provider™, provides the opportunity for a business owner/partner, who would not qualify for PPS membership, to make use of the Business Life Provider to cover the life of a key employee or professional in his/her business.
- Restrictions are not applied to the life cover in terms of travel or residence.
- Often, professional employees, partners or directors are involved in hazardous pursuits such as scuba diving, climbing, flying etc. No loadings or exclusions are applied to the premium for these pursuits or extreme sports on the PPS Business Life Provider™.
- The policyholder can select the term of life cover required and has the option to convert to whole of life cover. Conversion from term life cover to whole of life cover is free of underwriting. Thus the product provides cover that is flexible enough to match the policyholder's changing circumstances.
- The Terminal Illness Benefit is available to assist the business owner/partner financially prior to the death of a key person or partner. It is inherent to the product and no additional premium is paid for it. This gives the owner/partner the financial resources to deal with all business contingencies prior to an event such as death.
- Disability cover (DISA) protects business owners against the financial impact, of an employee or partner

becoming permanently unable to work, on the business by providing a lump sum payout. The remaining owners/partners are financially empowered to ensure minimum disruption following such an event.

- OSRB disability gives the client the added benefit to receive a payout based on own nominated occupation
- If employment is terminated, the life insured under the PPS Business Life Provider™ may apply for individual life cover. He/she will not have to undergo any medical underwriting if similar cover is applied for within one month of the surrender of the life cover under the PPS Business Life Provider™.

ANNEXURE 1 UNDERWRITING REQUIREMENTS

Sum assured	Ages < 40	Ages 41 -45	Ages 46 -50	Ages 51 and over
Up to R1.5million	HIV	HIV	HIV GPMR Random Cholesterol/HDL	HIV GPMR Random Cholesterol/HDL
R1.5 00 001- R2million	HIV	HIV Random cholesterol/HDL	HIV GPMR Random cholesterol/HDL Random Glucose	HIV GPMR Random cholesterol/HDL GGT Random Glucose
R2.000 001- 3million	HIV Random cholesterol/ HDL	HIV Random cholesterol/HDL GGT Random glucose	HIV GPMR Random cholesterol/HDL Random glucose GGT	HIV GPMR R/E ECG Random cholesterol/HDL GGT Random glucose
R3.000 001- R5million	HIV Random cholesterol/HDL Random glucose	HIV GPMR Random cholesterol/HDL Random glucose GGT	HIV GPMR Random Cholesterol/HDL GGT Random glucose R/E ECG	HIV GPMR Random Cholesterol/HDL LFT's ie: GGT/AST/ALT Random glucose R/E ECG
R5million +	HIV GPMR Random: cholesterol /HDL LFT's i.e.: GGT/AST/ALT Random glucose	HIV GPMR Random: Cholesterol /HDL LFT's i.e.: GGT/AST/ALT Random glucose	HIV GPMR Random: Cholesterol /HDL LFT's i.e.: GGT/AST/ALT Random glucose R/E ECG	HIV GPMR Random: Cholesterol /HDL LFT's ie: GGT/AST/ALT Random glucose R/E ECG

Call for requirements per application form.

Application form	Requirement	Rule
PPS Business Provider Policy	Standard medical requirements (document sent on 16/04/2007)	Mandatory
	ID	Mandatory (first application only)
	Proof of Qualification	Mandatory (first application only)
	Proof of Authority to act on behalf of the Company	If the data in Section A3 questions 17 and 20 have been completed.
	Financial Questionnaire for Business Assurance	Mandatory
PPS Membership Application form	ID	Mandatory
	Proof of Qualification	Mandatory
	Proof of registration of Association	Optional
	Proof of residence	Optional



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