

Discovery Life Group Risk Benefit Summary
ABC
January 2013



Version 1.2012

Life Cover Benefit

The Life Cover Benefit will pay a lump sum in the event of your employee's death, giving their families the financial support they need. The lump sum benefit can be set as a multiple of annual salary or a flat Rand amount.

Life Cover Benefit - Global Education Protector™

The Global Education Protector™, which is automatically included with Discovery Life Group Risk's Life Cover Benefit, will pay the actual costs of education for all your employee's children in the event of death. This benefit will pay for education all the way from pre-primary to tertiary education level, subject to the following maximums:

- Pre-school (Grade 0/R)	R2 300 per month
- Primary school (Grade 1 - 7)	R4 600 per month
- High School (Grade 8 - 12)	R5 300 per month
- Tertiary education	R38 000 per year at local facilities and \$34 500 per year at overseas facilities
- Tertiary residence allowance	Up to 30% of actual education fees
- Tertiary book allowance	Up to 10% of actual education fees

Life Cover Benefit - Global Education Protector™ - Private School Upgrade™

The Global Education Protector™ is an **indemnity product**, which means it aims to place dependants in the same financial position that they were before the death of the employee. It therefore **does not allow children to upgrade schooling facilities** once in claim (e.g. move from a public to private school). However with Vitality, children of employees on a **Bronze Vitality status or higher** at time of claim **will be given the opportunity to upgrade to a private school during the 12 months after the employee's death**.

Life Cover Benefit - Mortgage Protector™

On the death of a Vitality member, Discovery Life Group Risk will also pay a lump sum towards the employee's mortgage to ensure that his/her dependants do not lose their home during this difficult time.

The lump sum value will be equal to the average installment made by the employee in the last 12 months (subject to an overall limit of 30% of salary before death), multiplied by the duration component that is determined by the employee's Vitality status at death:

Blue	Bronze	Silver	Gold	Diamond
3 months	6 months	9 months	12 months	24 months

Income Continuation Benefit

The Income Continuation Benefit will pay an employee up to 75% of his/her salary when disabled. The definition of disability during the first 12 months of claim is for the employee to be unable to perform his/her **own job with his/her own employer**. Only after the first 12 months does the definition change for employees to be unable to perform **any suitable occupation with any employer** to continue with their Income Continuation Benefit.

Income Continuation Benefit - The 100% Upgrade Benefit

Traditional income disability benefits only cover up to 75% of an employee's income. Members on Discovery Life's Comprehensive Income Continuation Benefit option **can have up to 100% of pre-disability income paid to them during disability** should the claimant be permanently

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disabled.

This benefit will also **waive the rest of the waiting period** to ensure that permanently disabled employees have access to this income when needed most.

Income Continuation Benefit - Rehabilitation, re-skilling and retraining benefit

If, in the opinion of Discovery Life, the claimant is deemed able to be rehabilitated through retraining and/or reskilling, Discovery Life will request that the claimant undergoes rehabilitation. **The purpose of the rehabilitation is to assist the claimant to achieve a level of performance to enable him or her to perform any gainful employment.** Therefore, through rehabilitation, the claimant will no longer be considered disabled based on the definition.

Discovery Life, **in consultation with a board of medical professionals**, will determine the feasibility of the rehabilitation programme. On acceptance of the programme, the claimant and the employer will be required to sign a written undertaking indicating the claimant's genuine intent to follow the rehabilitation programme. **The cost of the rehabilitation programme will be paid directly to the service provider by Discovery Life and will be limited to a maximum of the lesser of 24 times the monthly Income Continuation Benefit and R100 000.**

Income Continuation Benefit - The Contribution Protector™

In addition to the Income Continuation Benefit payout, Discovery Life will also pay the employee's monthly contributions for other Discovery risk protection and retirement funding products for up to 24 months. These products include:

- Individual LIFE PLAN
- Discovery retirement Optimiser™
- Discovery Health Plan*
- Vitality
- Discovery Retirement Annuities

* Contributions to other medical schemes will also be paid, subject to maximums set by Discovery Life.

Income Continuation Benefit - Performance Bonus Protector™

Performance bonuses typically form a significant part of an employee's remuneration. However, this income is excluded from traditional disability income products. The Discovery Performance Bonus Protector will pay Vitality members up to 100% of their past bonuses in the event of permanent disability for the first 24 months of disability.

The addition to the current Income Continuation Benefit is calculated by multiplying the average bonus received (in monthly terms) and the Vitality status factor from the table below:

Blue	Bronze	Silver	Gold	Diamond
10%	20%	50%	75%	100%

Income Continuation Benefit - Mortgage Protector™

Should a Vitality member become disabled, Discovery Life Group Risk will also pay a monthly amount towards the employee's mortgage to ensure that his/her dependants do not lose their home during this difficult time.

The monthly benefit value will be equal to the average installment made by the employee in the last 12 months (subject to an overall limit of 30% of pre-disability salary), with the duration of payment dependant on the employee's Vitality status at date of disability:

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Blue	Bronze	Silver	Gold	Diamond
3 months	6 months	9 months	12 months	24 months

Income Continuation Benefit - Dynamic Spend Protector™

Should a Vitality member that has made use of his/her DiscoveryCard in the last 12 months become permanently disabled, Discovery Life Group Risk will enhance this employee's cash backs at DiscoveryCard retail partner stores by up to 20%.

The level of cash back increase will be determined by the employee's Vitality status at date of disability:

Blue	Bronze	Silver	Gold	Diamond
5%	7.50%	10%	15%	20%

Capital Disability Benefit

The Capital Disability Benefit pays a lump sum on disability, which has been defined by objective medical criteria.

- Benefit payments are assessed according to two categories, depending on the degree of medical impairment:
 - + Category A - Pays 100% where the disability is severe enough to prevent the employee from working at all.
 - + Category B - Pays 50% where the disability allows the employee to only partially fulfill their job.
- There is **no waiting period** for this benefit.
- This benefit does not have a taper period, which means it **does not reduce as an employee approaches retirement**
- This benefit includes medical conditions that are often excluded, such as **back disorders and depression**
- The benefit allows for **multiple claims**

Severe Illness Benefit

The Severe Illness Benefit provides a lump sum payment should an employee be diagnosed with any one of the conditions on Discovery Life's list. This benefit **covers all major physiological and anatomical systems**.

The **benefit payments are based on the severity of the illness** ranging from 5% to 100%, ensuring that the payout accurately matches the financial strain associated with the illness. This also allows this benefit to pay **multiple claims** for both independent and progressive illnesses as long as there are funds available in the LIFE FUND.

Severe Illness Benefit - Global Treatment Benefit

The Global Treatment Benefit, which is **automatically included in our Severe Illness Benefit**, can assist employees which have been diagnosed with a severe illness in getting the **best possible treatment through our network of international healthcare facilities**.

Discovery recognises that the diagnoses of these illnesses are not necessarily a death sentence and that the **best treatment can help ensure a prolonged and prosperous life** for these individuals.

Severe Illness Benefit - Child Severe Illness Benefit

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This benefit is **automatically included** in the Severe Illness Benefit. Employee's children younger than 18 will have access to the Child Severe Illness Benefit which provides cover for the same illnesses the employee is covered for, **as well as specific illnesses affecting children**.

The benefit is provided **free of underwriting**, and is limited to the lesser of 10% of the Severe Illness Benefit and R180 000 per child.

Free Cover Limit Multiplier™

Any benefits above the free cover limit (FCL) are **subject to medical underwriting**. As **Vitality engagement shows Discovery that members are looking after their health**, Discovery Life has developed the Free Cover Limit Multiplier™ to **reduce medical underwriting for these employees who are living the Discovery values**.

Discovery Vitality

Discovery Vitality is a **wellness programme** that rewards employees for getting healthier. Vitality offers a **science-based, personalised approach to wellness**. Vitality empowers employees to get healthier by **giving them the knowledge, tools and motivation to improve their health**. It has been **scientifically proven that Vitality makes its members healthier**. The more they interact with Vitality, the healthier they become as **Vitality is structured to guide all our members along a personalised journey to better health**.

Vitality is not only available to employees on the Discovery Health Medical Scheme or Individual LIFE PLAN policyholders, but also to Group Risk members of schemes where at least 50% of employees are on the Discovery Health Medical Scheme. The other employees that are not part of the Discovery Health Medical Scheme can then also have access to the Vitality programme through their membership in Discovery Life Group Risk.

Vitality - Corporate Wellness Days

A wellness day offers the **ultimate combination of fun, education and clinical screening**. It provides companies with **great insight into the overall wellness of their employees** and **employees get a snapshot of their health status**.

Discovery has made Wellness Days available to companies **with as little as 35 employees on the Discovery Health Medical Scheme**. Where **more than 50% of the employees are on the Discovery Health Medical Scheme**, Discovery Life Group Risk will pay for the other non-Discovery Health employees to access to the Wellness Days.

At these educational days your employees can have preventive screening tests such as blood glucose and blood pressure done in a relaxed atmosphere. These days **can also include voluntary counselling and testing for HIV**.

Funeral Cover Benefit

The Funeral Cover Benefit will provide a **lump sum payment of up to R20 000** on the death of a member of the family. **Up to three spouses and up to five children** are covered on this policy. This benefit is provided **without any need for medical underwriting** and is typically paid within under 48 hours.

Insured	Benefit amount
Employee	R20 000
Spouse	R20 000
Child aged 15-21	R20 000
Child aged 6-14	R10 000
Child aged 0-5	R6 000
Stillborn	R2 500

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*The above is only a high level summary of the benefits. For a more detailed description, as well as terms and conditions, please refer to the Group Risk Life Plan guide.