

# SMART LIFE PLAN

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*A Life Plan from only R100 a month that is  
designed to protect your financial future*

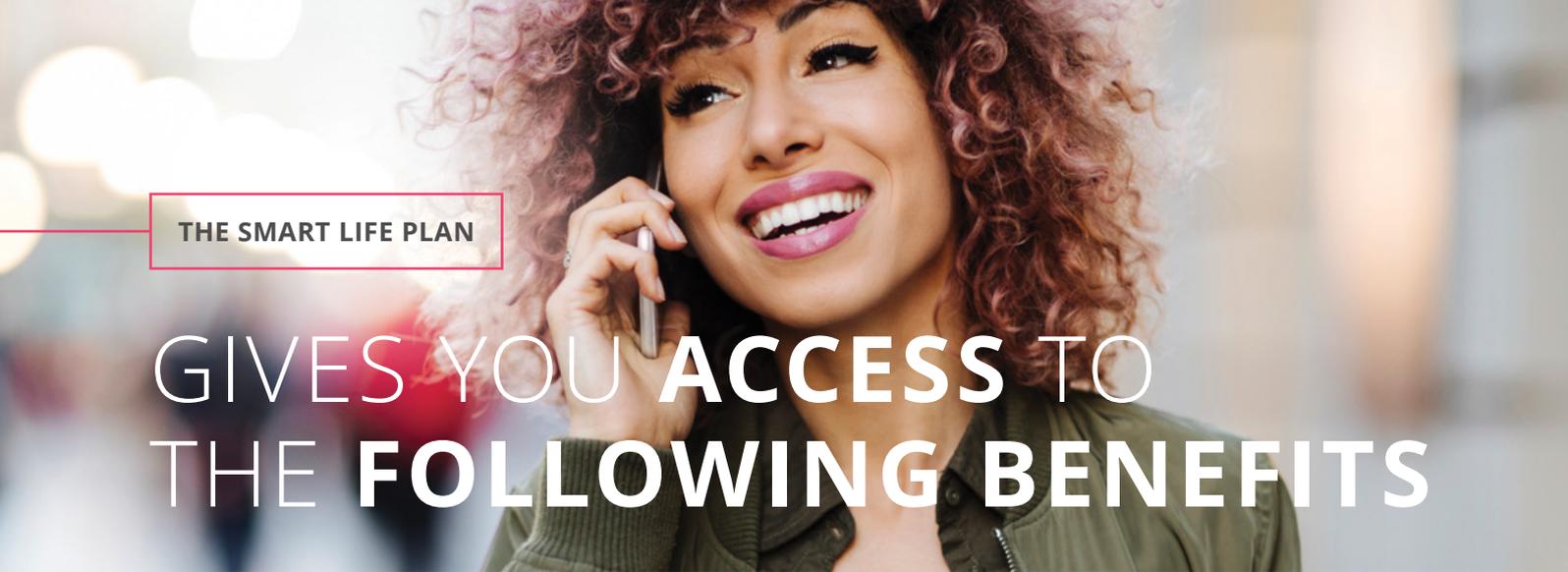
2019

A man with short dark hair and a light beard is sitting on a couch, looking intently at a tablet computer he is holding. He is wearing a dark blue, long-sleeved button-down shirt. The background is softly blurred, showing a modern interior with warm lighting from a lamp.

# TAILORED PROTECTION THROUGH INTELLIGENT DESIGN

*The Smart Life Plan was designed with efficient and relevant benefit options to suit your lifestyle while still protecting your future lifestyle and your family's financial security with our comprehensive benefits.*

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## THE SMART LIFE PLAN

# GIVES YOU ACCESS TO THE FOLLOWING BENEFITS

### TAILORED PROTECTION TO SUIT YOUR UNIQUE NEEDS



#### Life cover

A lump-sum payment which protects your family's financial security in the event of your death.



#### Automatic Parent Funeral Cover

This benefit pays out a lump sum of up to R20 000 if your parents pass away. For this benefit, your parents mean your biological parents, step-parents or your adoptive parents.



#### Severe Illness Benefit

Provides comprehensive protection against the impact of a severe medical condition (such as cancer) on your lifestyle.



#### Capital Disability Benefit

A lump-sum payment to ensure you remain financially secure if you become disabled (for example after a motor vehicle accident) and cannot earn an income.



#### Income Continuation Benefit

A monthly payment to help maintain your lifestyle if you can no longer work due to injury or illness.

- It includes the Promotion Tracker Benefit that increases your monthly payment in claim to account for future promotions which you may have earned had you not become disabled.
- You will also receive the Income Continuation Fund, which builds up throughout your working life based on how well you manage your health and wellness, to provide you with additional income when you retire.



#### Automatic conversion to a Classic Life Plan

The Smart Life Plan will automatically convert to a Classic Life Plan at the end of the month of your 30th birthday to give you access to our full suite of benefits tailored to your needs at that time.

### REWARDING YOU FOR LEADING A HEALTHY LIFESTYLE



#### Up to 100% of your premiums back

Through Integration with other Discovery products, you could get up to 100% of your premiums back by leading a healthy lifestyle and driving well.



#### 20% extra life cover at no initial cost

The Vitality Fund on the Bank Integrator provides an immediate 20% boost to your life cover at no initial premium for three years. You can increase your life cover by up to 26% thereafter with no additional underwriting by following a healthy lifestyle and managing your money.

## INCOME CONTINUATION BENEFIT

Protecting your current lifestyle and your high salary growth potential, Discovery's Income Continuation Benefit is a market-leading product that will pay you a monthly income if you are unable to work due to sickness or injury. You will be covered for the whole of your life, with your Income Continuation Benefit automatically converting to the Long-term Care Benefit when you retire, ensuring your protection matches your evolving needs.

### Protection that matches your high future growth potential



#### Immediate upgrade to 100% of your pre-disability income

If you become permanently disabled, your payment will be upgraded to 100% of your income (after tax). If you insured less than 40% of your after-tax income, then you will be paid 2.5 times your insured amount. The upgrade is done immediately no matter how long your waiting period is.



#### Protecting your future salary growth

If you become disabled, the monthly amount we pay will increase by inflation each year. In addition, through the Promotion Tracker Benefit, your monthly payment will increase by inflation plus a further 10% every five years to make up for promotions you may have earned had you not become disabled.



#### Protect your annual bonuses

In recognition that many people earn a substantial portion of their income through yearly bonuses, for an additional premium you can also choose to protect your yearly bonuses, subject to maximums, for up to five years if you experience a qualifying permanent disability event with the Performance Bonus Protector.



#### Automatic lifestyle protection

The Contribution Protector covers your premiums for your other qualifying Discovery products such as your monthly payments to Discovery Insure, Vitality or your health plan administered by Discovery Health Medical Scheme at up to 100% for up to 24 months on temporary disability.

For mothers, a four-month waiver on your qualifying Discovery Life Plan premiums after childbirth is provided through the Maternity Premium Waiver Benefit.

### Converting your health and wellness into additional income in retirement



#### Grow your retirement savings with the automatic Income Continuation Fund

At the start of your Income Continuation Benefit a fund equal to 10% of your insured amount, or 100% if you choose to add the Buy-up Income Continuation Fund, is automatically established. Every year, an additional 10% or 100% of your insured amount (depending on the option you choose\*\*) is deposited into your fund which grows by your selected annual benefit increase on your Income Continuation Benefit as well as an adjustment that takes into account how well you've managed your health and wellness through the Vitality programme and your health claims on your health plan administered by Discovery Health Medical Scheme (if applicable).

Your accumulated Income Continuation Fund\* will be paid out in 10 equal instalments, with the first payment being made at the end of the month in which you turn 65. This Fund allows you to build up a significant supplement to your retirement savings by simply leading a healthy lifestyle.

\*Please note that the Income Continuation Fund is a risk product and not an investment and has no lapse or surrender value.

\*\*If you select the Buy-up Income Continuation Fund, then accumulations to your fund and your premiums will cease after 20 years.

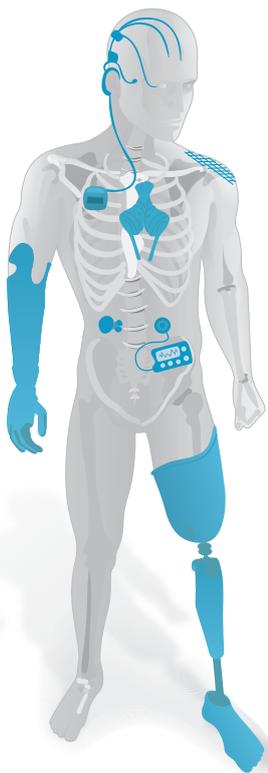
## HELPING YOU REGAIN YOUR LIFESTYLE AFTER SUFFERING A DISABILITY

### The LifeTime Capital Disability Benefit

While current disability products in the market focus on the clinical severity of an injury or disability, a key factor overlooked is providing you with a benefit that helps to regain your lifestyle and independence after a life-changing event.

Through clinical and technological research conducted by a panel of medical experts, the LifeTime Capital Disability Benefit has been designed to provide you with additional upfront and ongoing payments for a total payout of up to 300% of your sum assured. These additional payouts take into account the significant upfront costs, as well as the ongoing maintenance and upgrade costs of the latest medical technology associated with certain disability events and conditions.

### Key features of the LifeTime Capital Disability Benefit



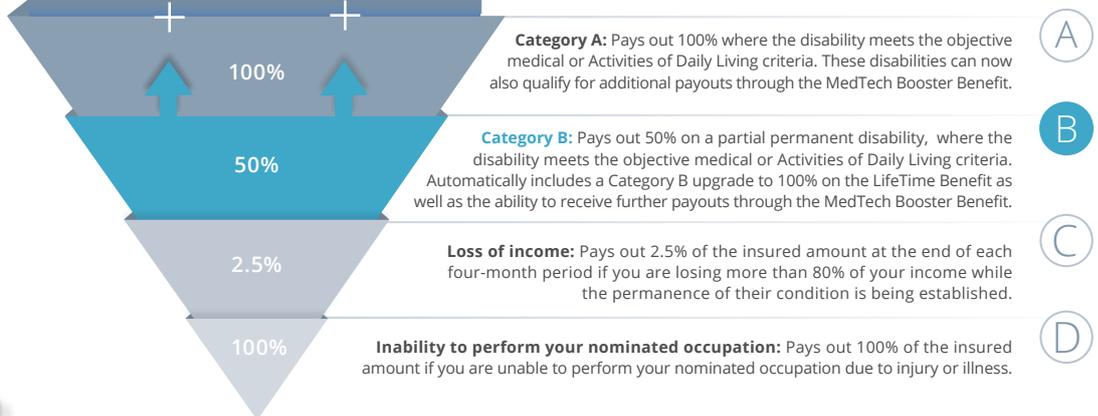
	MEDTECH 200%	MEDTECH 300%
 Group 1	100%	200%
 Group 2	75%	150%
 Group 3	50%	100%
 Group 4	25%	50%

#### MedTech Booster Benefit

The MedTech Booster Benefit on the LifeTime Capital Disability Benefit provides additional payouts to assist in accessing cutting-edge assistive medical devices on complete or partial permanent disability.

Depending on the category of the disability as well as its associated MedTech Group, a qualifying Category A and B disability receives an additional upfront payment, as well as recurring payments every three years for the first 15 years. The upfront and recurring payments are subject to specified maximums.

You can select from the LifeTime 300 or LifeTime 200 Capital Disability Benefits, which provide an additional payout of up to 200% and 100% respectively.



# GET SIGNIFICANT VALUE

BY LINKING YOUR SMART LIFE PLAN WITH YOUR  
OTHER DISCOVERY PRODUCTS THROUGH INTEGRATION

Integration allows us to better understand your risk upfront and over time. This allows us to remove any unnecessary costs from your life insurance by returning the value you generate by managing your health and finances, and driving well. You can have all your qualifying Smart Life Plan premiums returned to you by taking care of your health, building good financial habits and driving safely.

## UPFRONT AND ONGOING PREMIUM DISCOUNTS OF UP TO 42%

Through Integration you can receive an initial premium discount, with the ability to control future premium adjustments by improving and managing your health and financial wellness. As a member of Vitality or Vitality Active, or as a member of a medical scheme administered by Discovery Health, or as a qualifying Discovery Bank client, you could qualify for the following upfront premium discounts:



OR



OR



If you have a Life Plan, are a Vitality member and have a qualifying health plan from a medical scheme administered by Discovery Health, you qualify for the Health Integrator, which provides an initial premium discount of up to 20%. This means that, as a member of a qualifying health plan and Vitality, you can receive a total initial premium discount of up to 42% when combined with your Vitality Rating and Bank Integrator discounts.

If you have a Life Plan and are a Vitality member, you qualify for the Vitality Integrator, which provides an initial premium discount of up to 17.5%. This means that, as a member of Vitality, you can receive a total initial premium discount of up to 40% when combined with your Vitality Rating and Bank Integrator discounts.

If you have a Life Plan and Vitality Active, you qualify for the Active Integrator, which provides an initial premium discount of up to 15%. This means that, as a member of Vitality, you can receive a total initial premium discount of up to 33% when combined with your Vitality Rating and Bank Integrator discounts.



Through Vitality Rating, qualifying clients automatically receive a premium discount of up to 15% on qualifying benefits. This discount can be maintained based on the results of your key health metrics (body mass index (BMI), cholesterol, blood pressure and blood glucose), which are measured at the start of your policy.



If you are the principal or secondary cardholder of a qualifying Discovery Bank account (or if you are the main insured person with a Discovery Card, excluding Blue Discovery Cards), you qualify for an initial premium discount of up to 15%. This means that you can receive a total initial premium discount of up to 42% when combined with other Integrator discounts and the Vitality Rating discount.

### Managing your premium

Each year, we consider your Vitality status and your qualifying health plan claims (if Health Integrated), your Vitality Money status and your average monthly qualifying Discovery Bank account spend (if Bank Integrated) over the previous policy year, to gradually adjust the premium discounts.

### Protecting your premium

Discovery provides you with premium certainty through the Maximum Protected Premium, and will stop any Integrator adjustments after you undergo a qualifying claim event. This ensures your life insurance premiums remain affordable, regardless of your health.

## THE VITALITY FUND ON THE BANK INTEGRATOR

### Enhancing your ability to increase cover without underwriting

A deterioration in your health could mean you cannot purchase additional life insurance at a time when you need it most. The Bank Integrator provides access to the Vitality Fund, which enables you to earn up to 26% additional non-accelerated life cover by living healthily and managing your finances, with no additional underwriting.

### Get up to 26% additional life cover with no additional underwriting

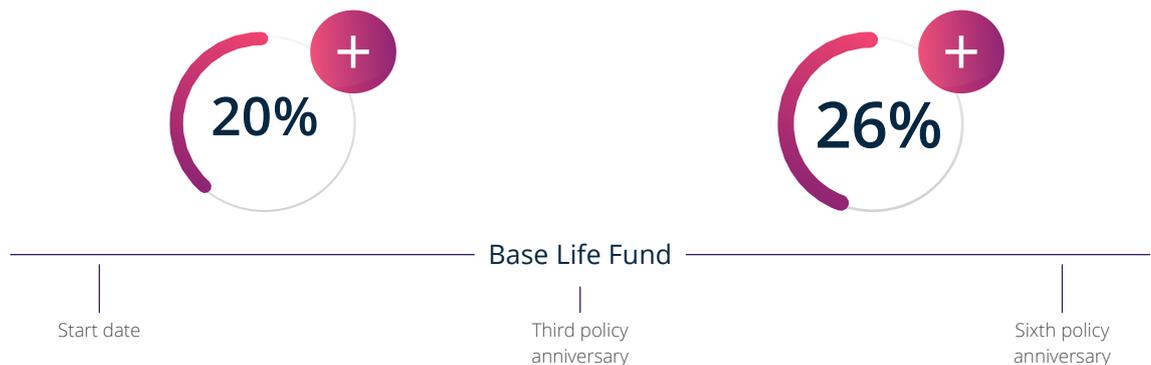
#### How it works

The Vitality Fund consists of two, three-year periods. Over the first three years of this benefit you can receive additional non-accelerated life cover amounting to 20% of your base life cover amount at no additional cost (excluding any Cover and Financial Integrator Funds).

At the end of the first three years, a premium becomes payable for this cover where it will provide you with whole-of-life cover.

This will then unlock a new portion of the Vitality Fund of up to 26%, at no additional premium for the next three years. The updated Vitality Fund percentage is based on your Vitality Health and Vitality Money status each year from the start of this benefit.

At the end of year six, a premium becomes payable for the second and final portion of the Vitality Fund, where it will provide you with whole-of-life, life cover.



The maximum amount of additional cover you can receive through the Vitality Fund is limited to R2 million when the policy starts and certain qualifying criteria apply in order to unlock the additional cover at the end of each three-year period.

## GET UP TO ALL YOUR PREMIUMS BACK BY LIVING HEALTHILY

### Get up to 100% of your premiums back with the Smart PayBack Fund

The Smart PayBack Fund on Comprehensively Integrated Smart Life Plans, allows you to receive up to 100% of your qualifying Smart Life Plan premiums back for managing your health and wellness, and driving well.

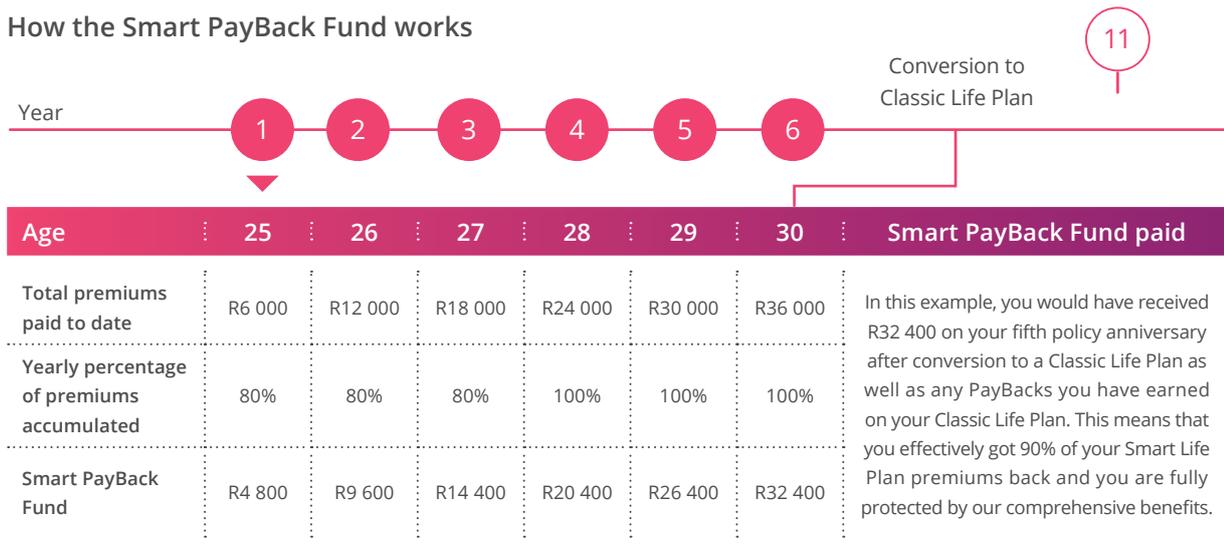
With the information we receive from Vitality and Vitality Drive, we can measure your level of health and wellness and your driving behaviour. Utilising this information, we will add a percentage of your premiums to your Smart PayBack Fund each year based on the percentages in the table below:

		Vitality drive status			
		Blue	Bronze	Silver	Gold/ Diamond
Vitality status	Diamond	50%	65%	80%	100%
	Gold	35%	45%	60%	80%
	Silver	20%	30%	45%	70%
	Bronze	15%	20%	35%	60%
	Blue	10%	15%	25%	50%

The value of this fund is automatically added to your Classic Life Plan PayBack Fund when your Smart Life Plan automatically converts to a Classic Life Plan at the end of the month in which you turn 30. This is paid on your first policy anniversary at least five years after conversion.

The example below shows how the Smart PayBack Fund grows and when we pay it out if you took out the policy at age 24 with a R500 monthly premium.

### How the Smart PayBack Fund works



Assumptions: Three years Gold and three years Diamond Vitality Active and Vitality drive status with a monthly premium of R50 with a 0% annual premium increase.

## LONG-TERM REWARDS TO SUPPLEMENT YOUR RETIREMENT

The Discovery Life Plan also rewards you for continuing to manage your health and wellness with significant Cash Conversion payments, through the Cover and Financial Integrator.



### Cash Conversion

You will receive default Cash Conversions equal to 10% of the Financial Integrator Fund and 5% of the Cover Integrator Fund at age 65 or 10 years after the benefit starts, whichever is later. For an additional premium, you can upgrade your default Cash Conversion payout to up to 200% of the Financial Integrator Fund and Cover Integrator Fund.

This is paid in four equal instalments, every four years from age 65. These payouts will not reduce your cover.

Please note that the Buy-up Cash Conversion Benefit is not an investment product, but a risk benefit, therefore no lapse or surrender value will be provided before the payouts become due.



This brochure is a summary of the Smart Life Benefit offered by Discovery Life. Speak to your financial adviser about the full range of Discovery Life insurance products. For more information visit [www.discovery.co.za](http://www.discovery.co.za)

## Discovery Life



Contact centre 0860 00 54 33 | [discoverylifeinfo@discovery.co.za](mailto:discoverylifeinfo@discovery.co.za) | [www.discovery.co.za](http://www.discovery.co.za)

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