

Press release

## **BrightRock comments on a BrightRock-commissioned study on life insurance premium funding patterns**

**02 July 2012** - Schalk Malan, Executive Director: Actuarial at BrightRock, said: “The findings of the True South study reflect our inherent concern about the sustainability of some aggressive “buy now, pay later” premium patterns commercially available in the South African marketplace.

“The study revealed that consumers who opt up-front for cheaper options may not be able to afford their premiums in the long term, leading to lapses.

“At BrightRock we believe if a client buys cover for long-term financial needs, it’s key that the cover stays the course. During that journey the client needs to be able to afford the premium options and its effect on share of wallet over time. BrightRock’s needs-matched insurance offering changes dynamically throughout a client’s lifetime. The premiums for needs that are no longer needed fall away, and the premium for needs that remain long-term are set at a rate that remains affordable as a percentage of wallet. This approach gives clients relevant cover that matches their precise needs, cutting out unnecessary waste, and ensures maximum premium efficiency and sustainability.”

(Ends)

## **About BrightRock**

BrightRock was started in 2011 with the goal of creating insurance products that truly meets consumers’ and financial advisers’ needs. BrightRock is an underwriting management of Lombard Life Limited and has the backing of the Lombard Insurance Group. Lombard was established over 20 years ago and operates in the short-term, credit risk and long-term insurance industry, currently holding over R1,3 billion in assets. BrightRock’s primary reinsurance treaty is with one of the world’s three largest reinsurers, which holds an AA- rating from Standard and Poor’s. BrightRock is headquartered in Johannesburg with regional hubs in the major centres of Johannesburg, Pretoria, Durban and Cape Town, and a national distribution footprint through independent financial advisers. Visit [www.brightrock.co.za](http://www.brightrock.co.za) for more information.