

Press release – Corporate: 14 March 2012

New player enters SA life insurance market

BrightRock aims to change the status quo

14 March 2012 – South Africa has a new player in the life insurance market. BrightRock (Pty) Ltd entered the competitive individual life market this week.

BrightRock's non-executive chairman and insurance industry stalwart, Miles Japhet, has outlined strong financial backing from the Lombard Insurance Group for the start-up venture and a tailored, highly differentiated life insurance product offering not seen in the market before.

As an underwriting management agency and partner of Lombard Life, BrightRock is using Lombard's existing life insurance licence. The founding team has decades of experience in the insurance industry, spanning across the areas of product development, marketing, distribution and IT.

The start-up's primary reinsurance treaty is with one of the world's largest reinsurers, which has an AA- rating from international ratings agency Standard and Poor's.

BrightRock will distribute its products nationally through independent financial advisers. It has a national distribution footprint with regional hubs in Johannesburg, Cape Town, Durban and Pretoria.

BrightRock's first policies go live on 1 April 2012.

The company, formed in 2011, has developed a unique product structure and systems technology to enable what the company describes as a "needs-matched" approach to life insurance, with the aim of closing gaps and providing clients with more relevant, efficient cover.

Japhet says BrightRock policies are constructed around the individual's needs, which change over time. "Customers are able to shape and alter their cover according to their needs. As they change, so does the policy."

Japhet says whereas most insurance policies focus on the events they are designed to cover, BrightRock policies place the emphasis on ensuring that when an insurable event occurs, the cover meets the need.

While Japhet praises the South African life industry as being one of the world's most innovative and advanced, he says the norm so far has been for life insurers to offer modular, pre-packaged products, elements of which customers pick and choose.

"BrightRock covers the same insurance events as other policies, but maps this cover back to clients' underlying financial needs. Customers are able at the outset to make a wide range of choices about how their cover should grow and change, to stay relevant and in tune with their needs. Even when those choices have been made, it is easier for clients of BrightRock to make changes to their cover should their circumstances change."

Japhet says that with the help of a financial adviser, a customer can determine his or her specific needs, such as cover for children's education, mortgages and estate duty, and then determine how their cover for each of these needs should behave over time. A BrightRock life policy allows the customer to determine for each financial need how the cover should grow, when it should end and how it should pay out. This ensures efficient cover, which as a result is also more cost-efficient.

"Because each plan is made to every client's exact specifications, it is unlikely that two clients would have exactly the same BrightRock policy." He adds. "Our approach is completely fresh and we believe quite unlike any other insurer in this market. We are hoping to bring about real change to the status quo in South Africa's life insurance sector."

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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 for more information.