

At Liberty, it's not just life insurance... it's

SECURING OUR CLIENTS' LIFESTYLE

ADVICE INSURE INVEST

LIBERTY CLAIMS STATISTICS 2017.

These Claim Statistics show Liberty's delivery on its promise of improving people's lives by making their financial freedom possible. It is an illustration of our commitment to helping our clients secure their lifestyle and that of their loved ones through our insurance offering.

LIBERTY - OUR PROMISE FULFILLED

In 2017, Liberty paid 100% of all valid claims to the value of

R 4 457 254 983.

That's **R17 900 622** paid to our clients every working day.

At Liberty, we're committed to securing the financial freedom of our clients by providing insurance against life's uncertainties.

Liberty's promise to pay all valid claims gives our clients the reassurance that they can protect the lifestyle they've worked so hard to achieve, should the unforeseen happen.



LIFE PROTECTION
R 3 240 294 761



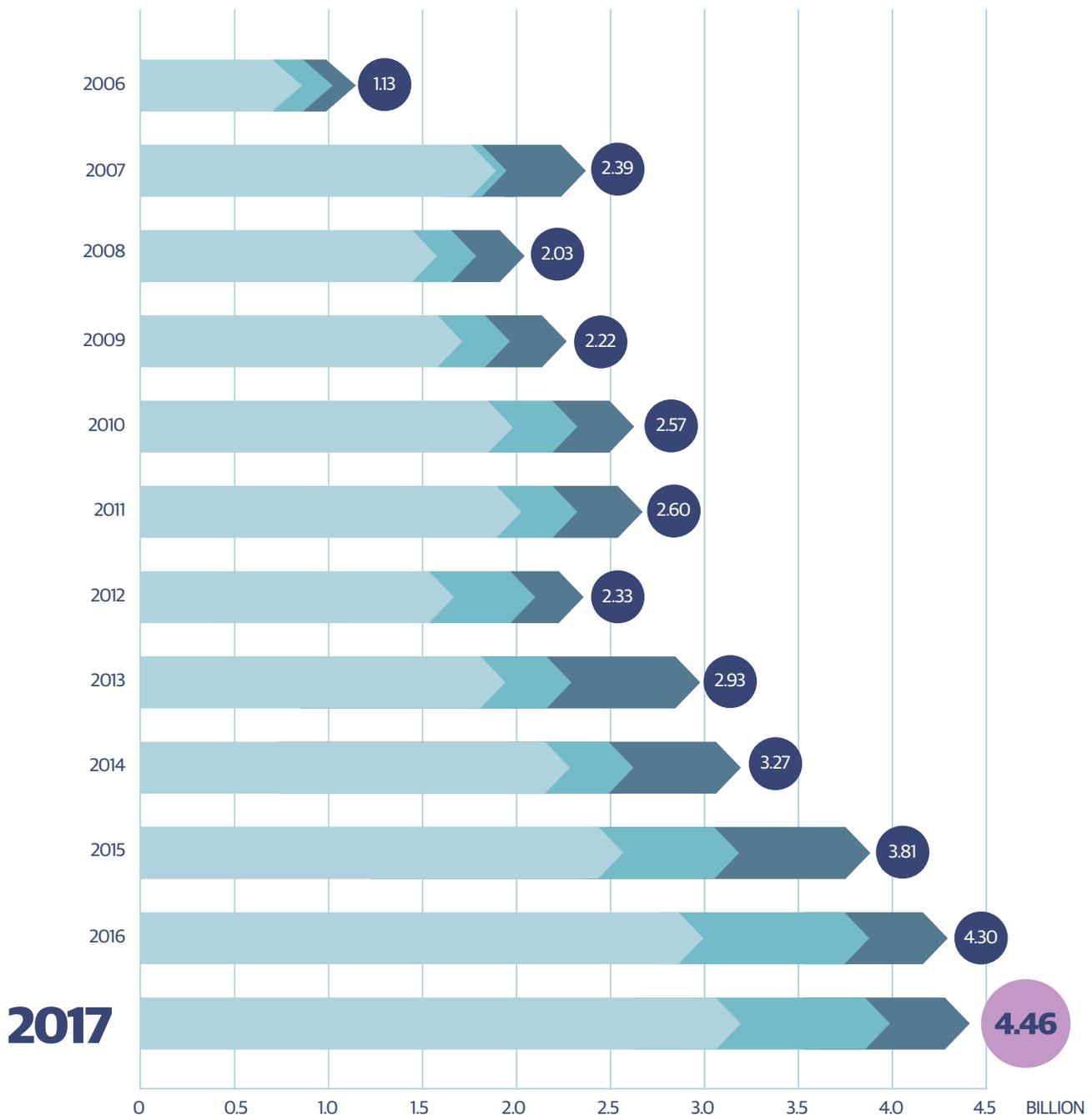
LIFESTYLE PROTECTION
R 691 272 560



LOSS OF INCOME PROTECTION

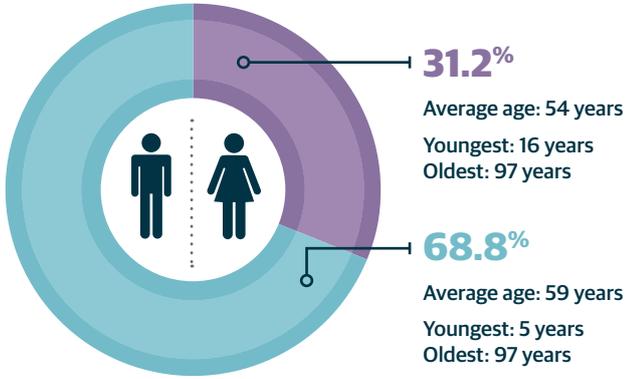
Lump sum	Monthly recurring
R 375 160 467	R 150 527 195

BE A FUTURE THINKER- PREPARE FOR LIFE'S UNCERTAINTIES



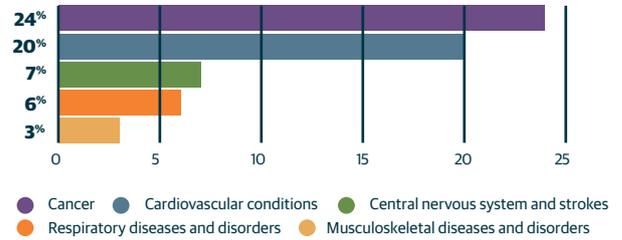
BREAKDOWN OF LIBERTY'S CLAIMS IN 2017

Gender split

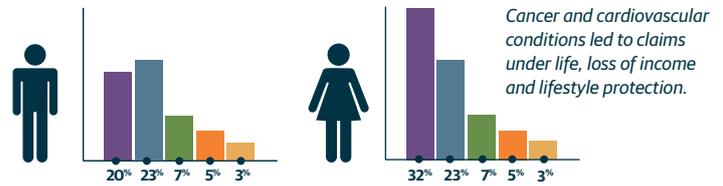


For ages 40 and above, males make up 60% and females 40% of our clients. This highlights the insurance gap that exists for females. The need for adequate cover exists equally for both males and females alike.

Top 5 claim causes



Top 5 causes split by gender

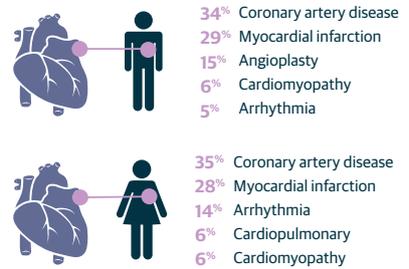


Top 5 causes of cancer, split by gender



The variability in the type of claim condition highlights that lifestyle factors, inherited genes and unexpected events can all result in claims. Everyone needs life, loss of income and lifestyle protection.

Top 5 causes of cardiovascular conditions, split by gender



Top 5 occupations of claimants

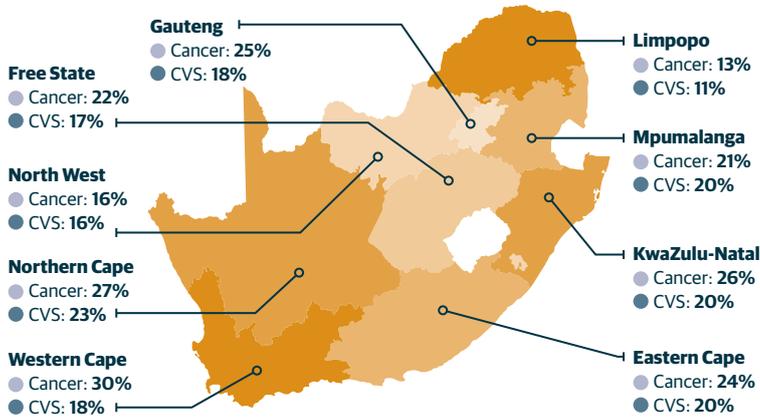


The diversity of occupation, from business people to housewives, shows that everyone is at risk of death, disability or critical illness.



To gain more insight on what Liberty's clients have claimed for, visit www.claimsexplorer.liberty.co.za

Top 2 claims per province



25% of claims from the Northern Cape came from farmers.

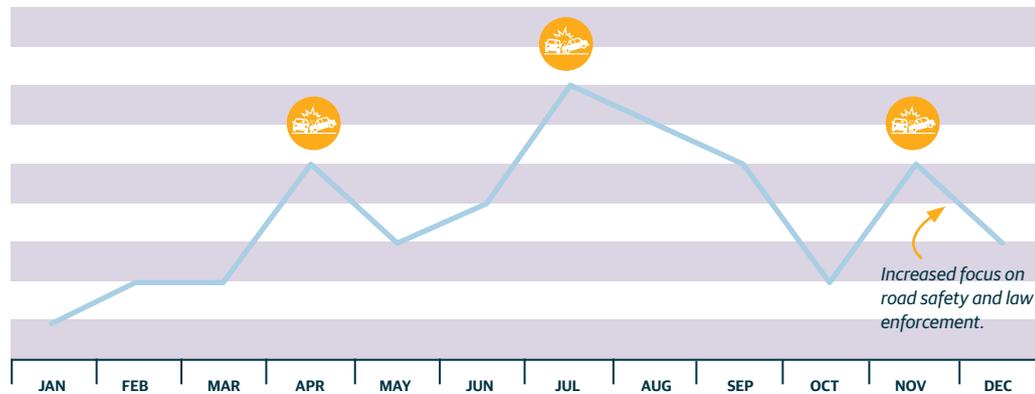
There were four times as many brain cancer claims in Gauteng as in KZN.

80% of claims from Limpopo were for life protection.

There were more suicide claims in Gauteng than road accident claims.

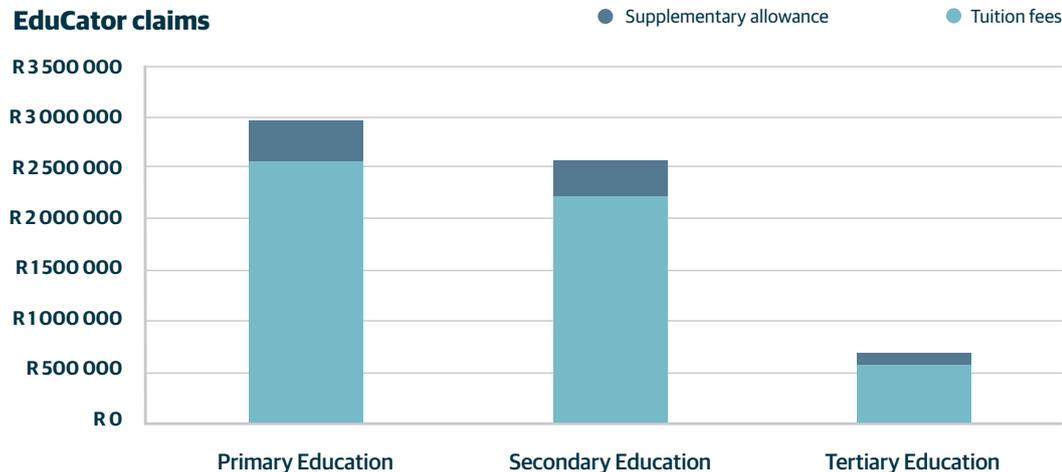
Cancer and cardiovascular conditions (CVS) remain the top claim causes for all provinces.

Road accident claims



Liberty Claim Statistics revealed that road accident claims in 2017 were the highest during South Africa's holiday months.

EduCator claims



R 6 273 510 was paid for EduCator claims for both tuition and support.

COVER FOR EVERY LIFE STAGE

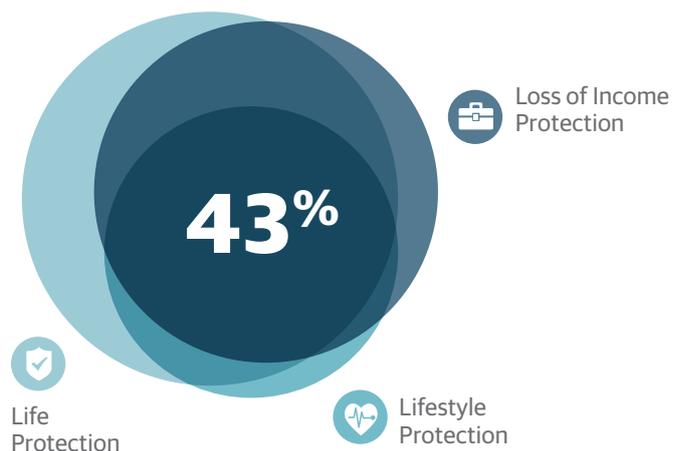
As clients journey through their various life stages, their priorities and ambitions change. At Liberty, we're committed to helping our clients gain a better understanding of the risks they're likely to encounter on their life journey. This is why we provide cover suited to every stage of our clients' lives, should they become disabled, critically ill, retrenched or when they are no longer around.

Liberty Lifestyle Protector is not just life insurance - It provides financial security against life's uncertainties and is flexible enough to change along with clients' needs. Life-altering events can happen at any time. Whether starting out in a new career, welcoming a first child into the world, celebrating a child's graduation or planning a retirement, Liberty Lifestyle Protector provides insurance cover for every individual.

Combination of cover Liberty clients are buying

43%

understand that they require a combination of cover across our Lifestyle Protector range of benefits to be adequately covered throughout their life stages.



The need for a Last Will and Testament

Estate planning is of utmost importance for every person, regardless of age or life stage. A Will ensures that all beneficiaries are provided for and that the administrative burden of managing a deceased estate becomes as seamless as possible.

Future thinking

- 1 Consult a financial adviser to draft a Will
- 2 Keep the Will in a safe place
- 3 Appoint professional executor services to manage the estate

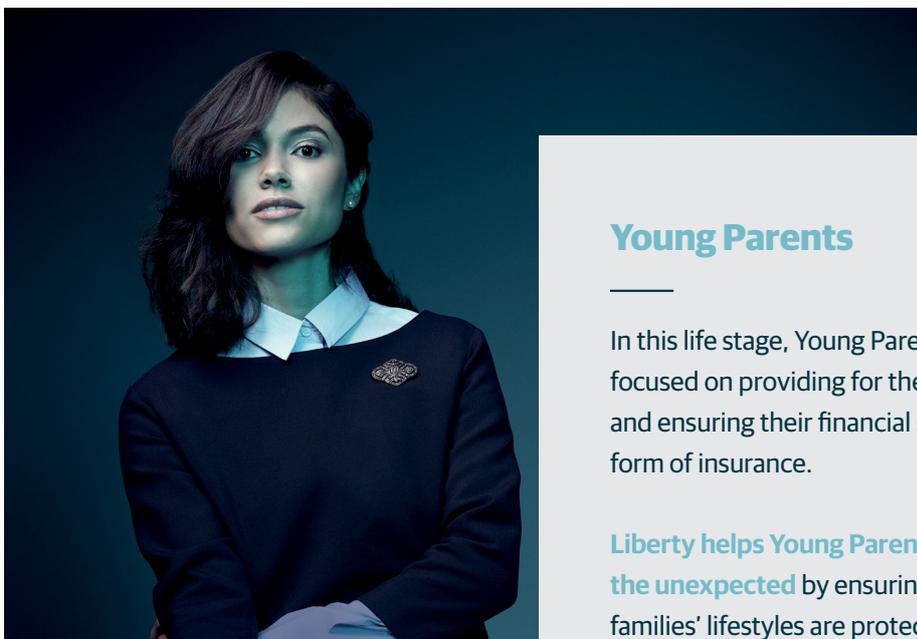
COVER FOR EVERY LIFE STAGE



Young Achievers

Young Achievers in their early twenties and thirties are establishing their careers, accumulating assets and growing their wealth.

Liberty helps Young Achievers plan for the unexpected so that they can retain the financial independence that they are building.



Young Parents

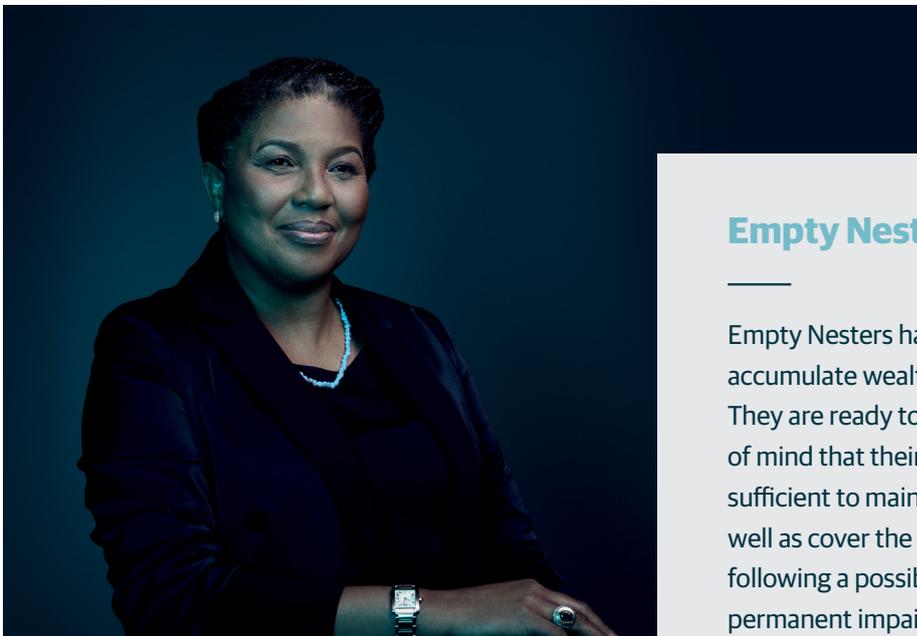
In this life stage, Young Parents are focused on providing for their families and ensuring their financial security in the form of insurance.

Liberty helps Young Parents plan for the unexpected by ensuring that their families' lifestyles are protected.

Established Providers

Paying for children's higher education is one of the top priorities for an Established Provider. However, retirement is also approaching and the probability of contracting a life-altering illness is increasing.

Liberty helps Established Providers plan for the unexpected by securing their families' lifestyles and helping them save for their retirement.



Empty Nesters

Empty Nesters have worked hard to accumulate wealth over many years. They are ready to retire and need peace of mind that their retirement income is sufficient to maintain their lifestyles as well as cover the cost of long-term care following a possible severe illness or permanent impairment.

Liberty helps Empty Nesters plan for the unexpected by providing the right insurance cover while preserving their hard-earned retirement savings.

YOUNG ACHIEVERS

"I'll never let 'what if' stop me."

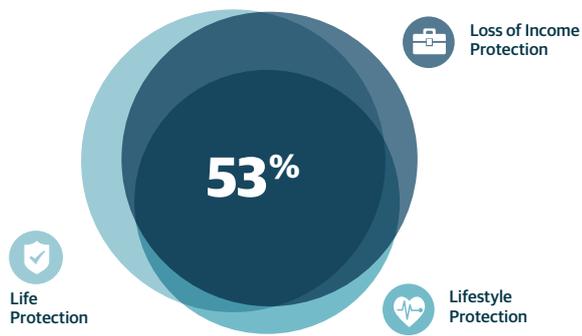


They are young, independent and driven to succeed. At this life stage, the ability to earn an income is their biggest asset. But what if they could no longer work due to unexpected critical illness, disability or retrenchment?

Depending on their circumstances, such as buying a first house or getting married, they may have an even wider range of potential risk cover needs.

What Young Achievers are buying

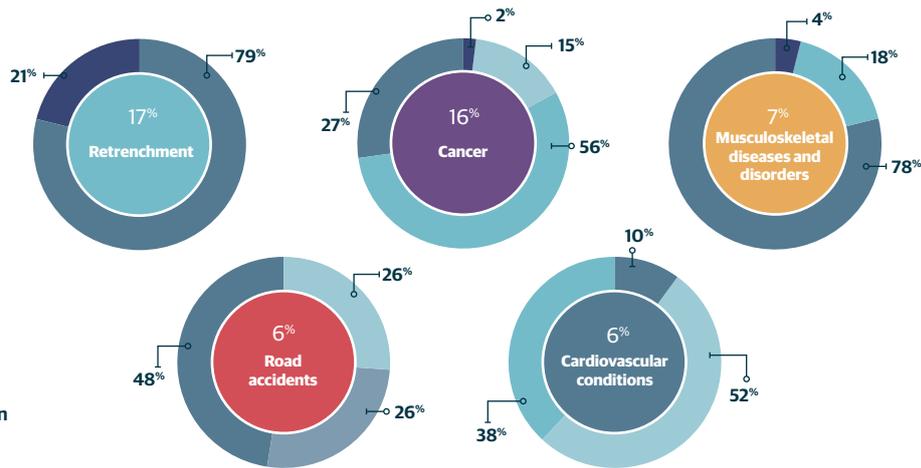
53% of Young Achievers bought a policy with a combination of loss of income, lifestyle and life protection benefits, with the aim of protecting themselves from a potential loss of income for short or extended periods.



What Young Achievers are claiming for

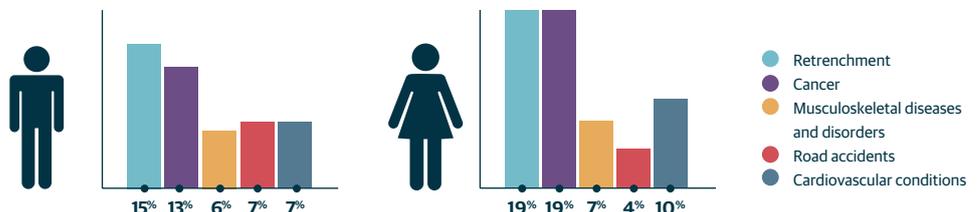
52% of all claims paid to Young Achievers are attributable to these top five causes

The circle splits below show how these top five claim causes impacted our clients in 2017 in terms of which benefit category they claimed under.



- Lifestyle Protection
- Policy Protection
- Loss of Income Protection
- Life Protection

How this differs by gender

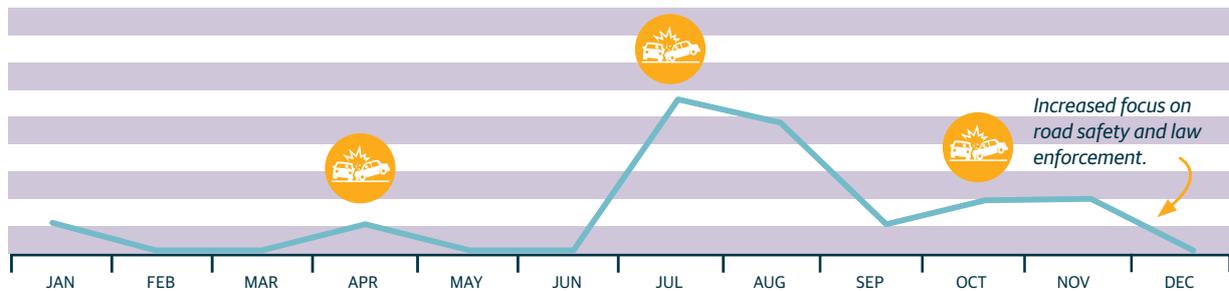


What Young Achievers are exposed to

Being in a road accident

In 2017, Liberty Claim Statistics showed an increase in road accident claims during holiday periods.

Road accidents led to claims from life protection, lifestyle protection and loss of income protection benefits.



Source: Liberty claim statistics data - 2017



Did you know

Young Achievers are most at risk of being in a road accident and according to the South African Department of Transport, about 80% of road fatalities involve males between the ages of 19 and 35. This is supported by the World Health Organisation's global research which shows that traffic injuries are the leading cause of death among people aged 15 and 29.¹



Future thinking

Clients can use **Liberty's Income Protection** to cover against potential loss of income due to disability caused by a car accident.



Good to know

Tips to reduce accident risks:

- Focus on driving and avoid the use of cellphones
- Obey the rules of the road
- Be aware of any potential hazards
- Use a taxi service when under the influence of alcohol
- Take suitable breaks when feeling tired

¹ www.timeslive.co.za

YOUNG PARENTS

"If life throws me a curve ball, I've got a plan."

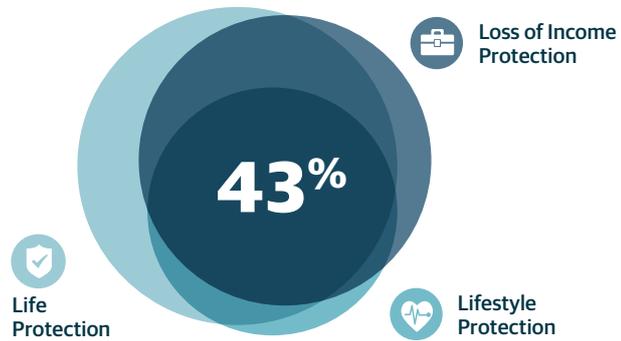


Young Parents are more established in their careers and their income is stable, however their responsibilities are also increasing along with the size of their families.

Now is the right time to get enough cover to provide for their loved ones as well as securing a good education for their children - regardless of what may happen to them.

What Young Parents are buying

43% of Young Parents bought a policy with a combination of loss of income, lifestyle and life protection benefits, with the aim of protecting their income and providing financial security for their families against life's uncertainties.

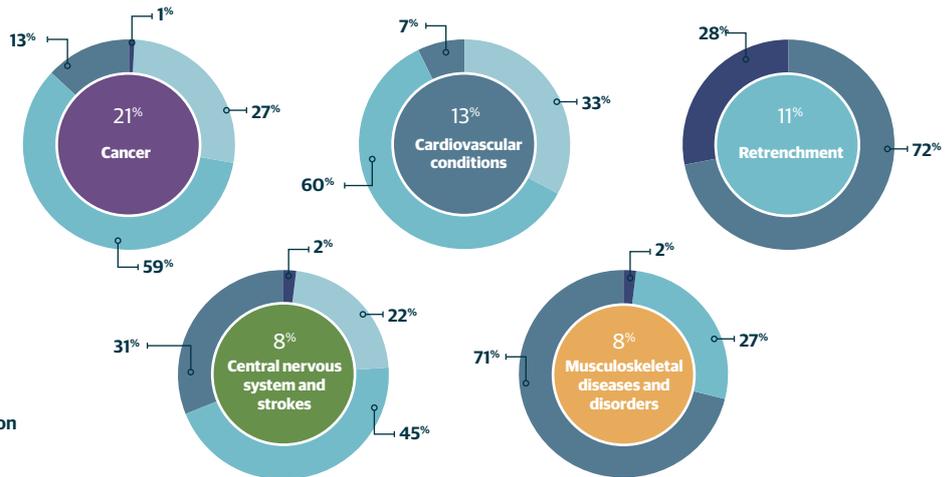


What Young Parents are claiming for

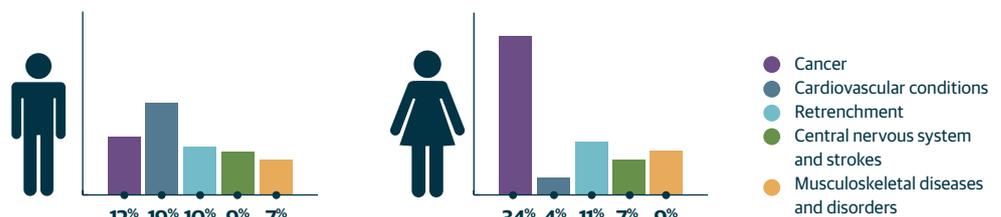
61% of all claims paid to Young Parents are attributable to these top five causes

The circle splits below show how these top five claim causes impacted our clients in 2017 in terms of which benefit category they claimed under.

- Lifestyle Protection
- Policy Protection
- Loss of Income Protection
- Life Protection



How this differs by gender

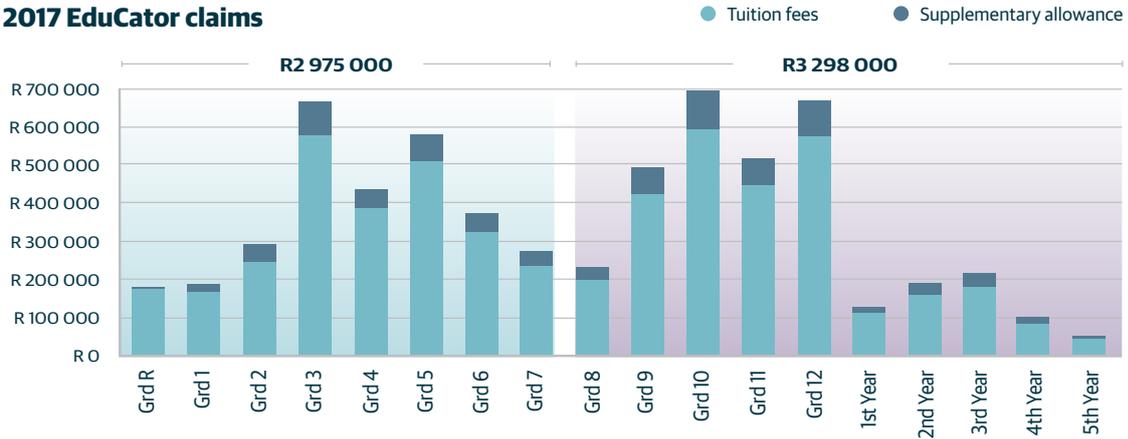


What Young Parents are exposed to

Not being able to provide for their children's education due to death, disability or critical illness.

While the cost of sending children to school is expensive, the inability to pay for their children's education due to unexpected events could be even higher if the right cover is not in place.

2017 EduCator claims



Did you know

The cost of education increases at a rate higher than general inflation.

The total cost for a child's education can be approximately **R 1.2m** from crèche through to tertiary level, ignoring any future fee increases.



Good to know

Tips to save for a child's education:

- Start investing early, possibly even before a child is born
- Consider the type of education (public or private schooling)
- Don't forget the cost of extra expenses e.g. uniform, stationery and transportation costs, etc.



Future thinking

With Liberty's education benefits, Young Parents can secure their children's education in these ways:

1. Invest as little as R500 per month over 5 years, with Liberty's Education Builder.
2. Liberty's EduCator risk benefit secures a child's education from crèche to tertiary level should the parent become severely ill, disabled or even when they are no longer around.

¹www.timeslive.co.za

ESTABLISHED PROVIDERS



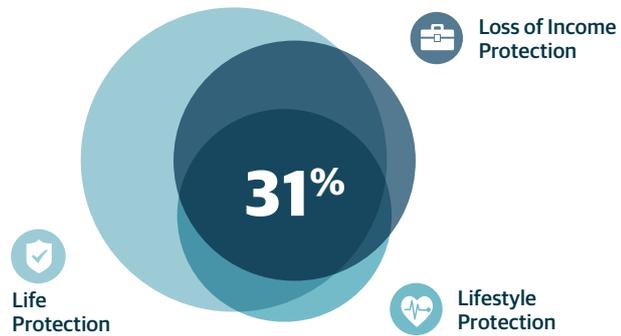
"Whatever comes I know I can deal with it."

Maintaining their family's lifestyle remains the biggest priority.

At this stage, comprehensive risk cover is essential to secure their family's lifestyle and that their hard earned retirement savings is not eroded by unexpected health expenses.

What Established Providers are buying

31% of Established Providers bought a policy with a combination of loss of income, lifestyle and life protection benefits, with the aim of securing their family's lifestyle and ensuring that their estate is liquid should life take a turn for the worse.

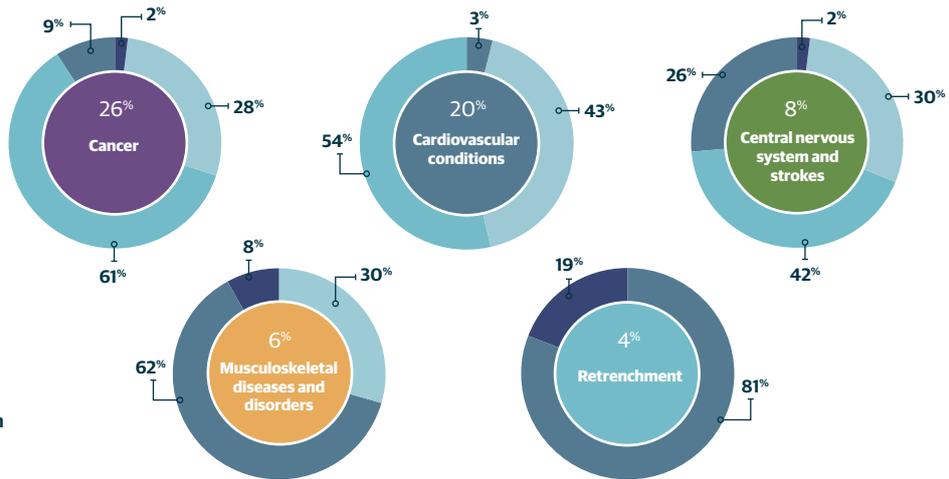


What Established Providers are claiming for

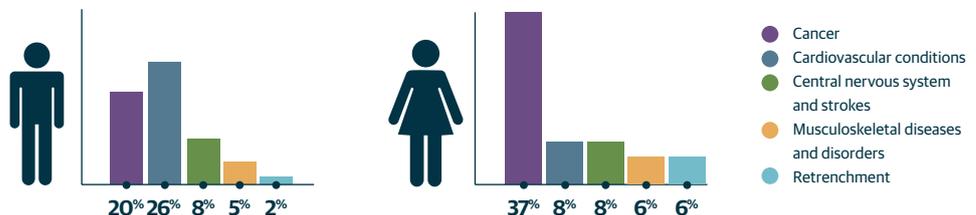
64% of all claims paid to Established Providers are attributable to these top five causes

The circle splits below show how these top five claim causes impacted our clients in 2017 in terms of which benefit category they claimed under.

- Lifestyle Protection
- Policy Protection
- Loss of Income Protection
- Life Protection



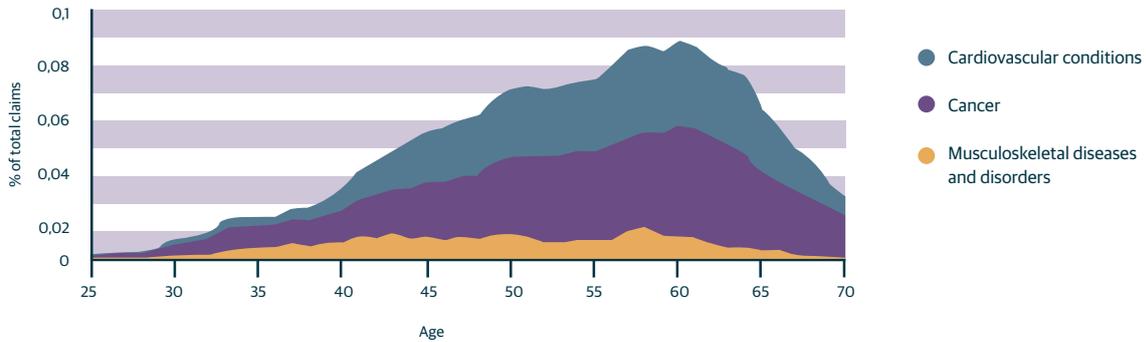
How this differs by gender



What Established Providers are exposed to

Being diagnosed with cancer

This graphic shows how the proportion of claims for cancer and cardiovascular conditions are distributed across ages and across all forms of cover.



Did you know

1. Lifestyle factors are increasingly identified as being a cause of cancer. Around half of all cancers and cancer-related deaths are preventable through healthy lifestyle adjustments.²
2. According to the Centre for Disease Control and Prevention, cancer kills more people than Tuberculosis (TB), AIDS and Malaria combined, globally.²



Future thinking

With Liberty's Living Lifestyle and Income Protection, Established Providers can have the financial security to meet potential expenses related to cancer, stroke, heart attack or any other critical illness.



Good to know

Consider these lifestyle changes to reduce your risk of cancer:

- Stop smoking
- Limit alcohol intake
- Engage in an active lifestyle with a healthy diet
- Maintaining a healthy weight
- Try to keep stress to a minimum

²<https://www.cancer.org>

EMPTY NESTERS

"I'm ready for whatever comes my way."

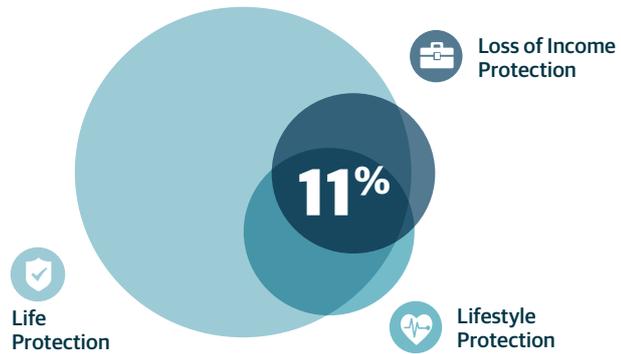


Empty Nesters are looking forward to retiring comfortably and leaving a legacy for their loved ones. Although they have worked hard and feel that they have control over their finances, their main concern is whether they would have enough income to see them through their golden years.

Unexpected costs associated with a permanent impairment or severe illness can deplete their hard-earned retirement savings faster if they do not have enough cover in place.

What Empty Nesters are buying

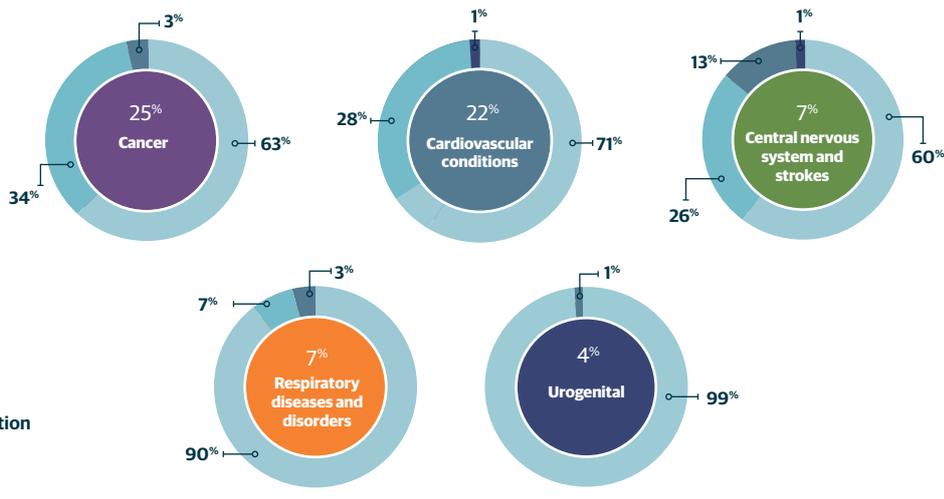
11% of Empty Nesters bought a policy with all three benefits as many already have comprehensive cover in place and would use the new benefits to top up existing cover.



What Empty Nesters are claiming for

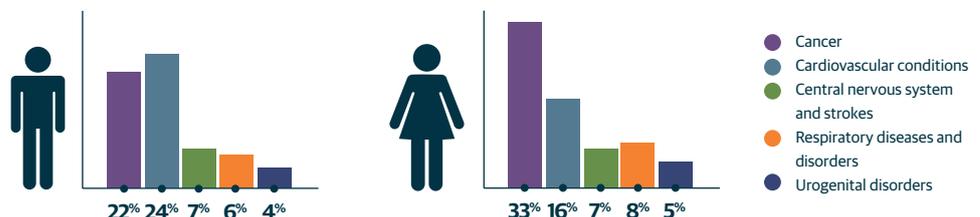
65% of all claims paid to Empty Nesters are attributable to these top five causes.

The circle splits below show how these top five claim causes impacted our clients in 2017 in terms of which benefit category they claimed under.



- Lifestyle Protection
- Policy Protection
- Loss of Income Protection
- Life Protection

How this differs by gender



What Empty Nesters are exposed to

Compromising their lifestyle

Top 5 causes of cancer and cardiovascular conditions for 2017 are shown below:

	Cancer		Cardiovascular conditions			Cancer		Cardiovascular conditions	
	Condition	Percentage	Condition	Percentage		Condition	Percentage	Condition	Percentage
	Prostate	14%	Coronary artery disease	17%		Breast	22%	Myocardial infarction	13%
	Colon and Rectal	7%	Myocardial infarction	9%		Colon and Rectal	8%	Coronary artery disease	10%
	Skin	5%	Cardiomyopathy	2%		Lung	6%	Arrhythmia	5%
	Pancreatic	5%	Arrhythmia	2%		Skin	5%	Heart transplant	2%
	Lung	5%	Valvular heart disease	1%		Brain	4%	Cardiopulmonary	2%

Research shows that there are shared risk factors between diseases. Someone suffering from one condition is more likely to obtain another. This is supported by our Claim Statistics in 2017, where there were instances of clients claiming for multiple conditions e.g. claiming for cancer and subsequently, claiming for a cardiovascular condition.



Did you know

“Over the last 25 years, neither heart disease nor blood pressure levels have improved in South Africa. In fact, more people are overweight and have hypertension now more than ever before. South Africa may even see an increase in heart disease as obesity and hypertension are known contributors to cardiovascular disease,” said Prof Pamela Naidoo, Head of the Heart and Stroke Foundation SA.³



Future thinking

With **Liberty's Living Lifestyle** and the **Impairment** benefit within the **Liberty Income Protection** range, Empty Nesters can have financial security to meet potential expenses related to permanent impairment, cancer, stroke, heart attack or any other critical illness.



Good to know

Reduce the risk of suffering a severe lifestyle illness:

- Stop smoking
- Engage in an active lifestyle with a healthy diet
- Improve cholesterol levels
- Manage stress levels and control high blood pressure

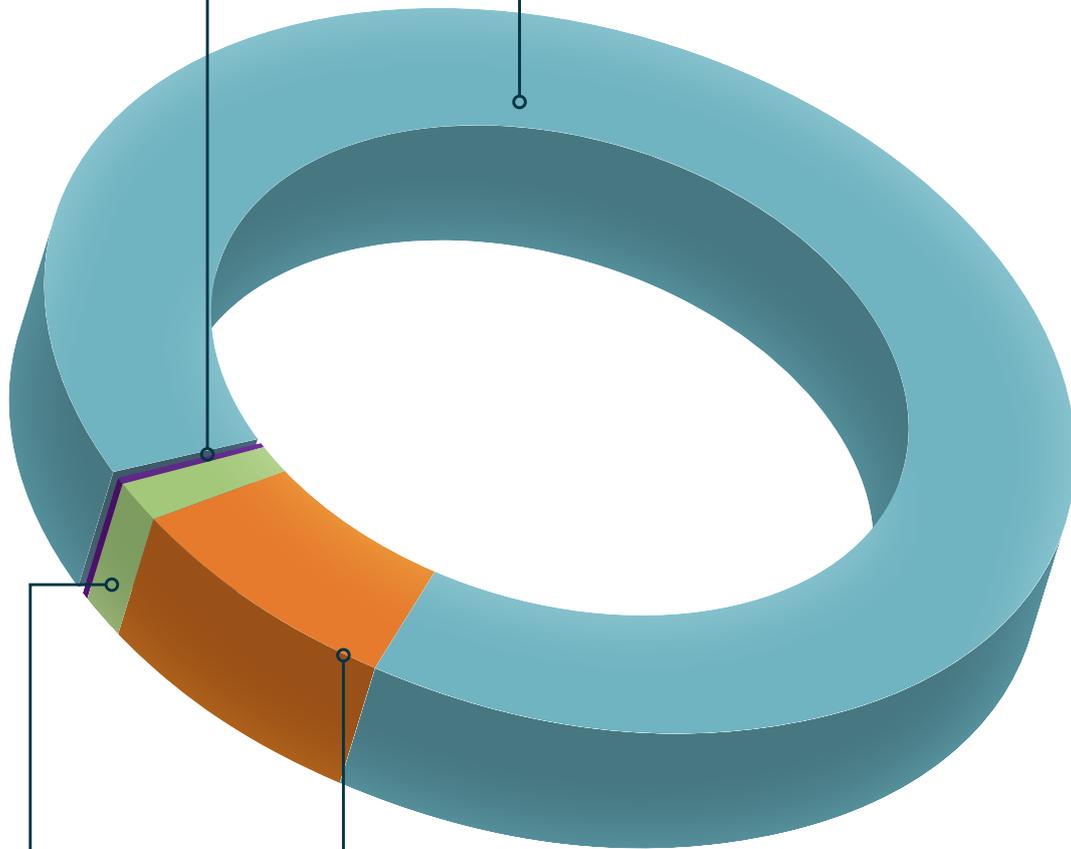
³ <http://www.heartfoundation.co.za>

89.3%

of all claims that were submitted for consideration were valid claims and were paid as per the requirements of the policy document

0.5%

of claim events were specifically excluded in the policy documents at the inception of the policy



1.6%

of clients did not disclose important information at the application stage of the policy

8.6%

of conditions claimed for did not match the claims requirements specified in the policy documents

As per ASISA Claim Statistics submission guidelines, Liberty paid 99% of life cover claims for 2017.

HOW TO ENSURE A CLAIM IS PAID

Claims not meeting minimum criteria

We always do our best to ensure that all valid claims are paid. To help clients get the full benefit of their cover, we encourage them to submit their claims even if they are uncertain of the severity of their condition or whether such condition is covered under their policy benefits. As a result, some conditions claimed for may not meet the minimum requirements set out in the policy document. Of all claims received in 2017, **8.6%** were for conditions that did not meet claims requirements (coverage and/or severity) in the policy documents.

Non-disclosure

Non-disclosure occurs when the medical, financial, lifestyle or occupational questions are answered incorrectly or where important information is omitted when cover is applied for. This ranges from **deliberate omissions** to **innocent omissions** where certain information is simply forgotten. In 2017, **1.6%** of claims were declined due to non-disclosure.

The benefits of full disclosure:

- gives clients reassurance that their claims will be paid in accordance with the terms and conditions of the policy
- ensures a fair and more affordable premium is charged
- leads to faster underwriting and less medical requirements to speed up the application process
- results in less requirements needed at claims stage
- leads to less legal disputes and client disputes

The costs of non-disclosure affect clients, the insurer and the insurance industry. For this reason, we encourage clients to disclose as much as possible when first applying for a policy. This ensures that they are properly covered for any unexpected events so that when it comes to claim stage, their claim is paid out.

How to avoid non-disclosure

-  Answer the questions asked in the application honestly and accurately.
-  Clients should make use of tele-underwriting whereby a trained professional will guide them through the process and answer questions they may have at the time.
-  If unsure whether to disclose something, disclose anyway, let the underwriters decide whether it's important or not.
-  Financial advisers should prepare clients on what to expect during the application process. Clients should get a sense of their health status and all risk factors they should mention as part of the preparation.
-  If a financial adviser fills in the insurance application for a client, it is the responsibility of the client to read through it carefully before signing it and request a copy to read it again at their leisure.

HOW TO CLAIM

In the event of a potential claim, clients should notify Liberty as soon as possible and provide all relevant information. This will help us to speed up the decision making process. By contacting our claims team shortly after the event, we'll be able to provide the right advice to assist with the claim.

The claims form can be found on www.liberty.co.za/support/how-to-claim. Submit the claims form and other requested documents via email to opsclaims@liberty.co.za.

General claims procedure

-  **Download the claims form applicable to the specific claim**
-  **The policyholder or dependants/nominated beneficiaries need to complete and sign the form**
-  **Submit the form together with the standard requirements listed on the form to Liberty**



Good to know

Provide latest contact details so we can keep in touch during the claim process.

Further support

For any queries or assistance please contact **0860 456 789**.

For more information please contact your Liberty financial adviser or broker. You can also contact our call centre on 0860 456 789 or visit www.liberty.co.za

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