

Premium Pause Option

Myriad's Premium Pause Option (available until 30 June 2020)

Momentum strongly discourages clients from cancelling their life insurance in this difficult economic time and encourages them to explore every possible option to ensure that they maintain their cover to protect them, their families and their businesses financially if the worst happens.

Clients in extreme financial distress are at risk of losing all their life insurance benefits. Momentum is proactively taking steps to support these affected clients with a temporary premium pause option for their life insurance premiums.

What is the Premium Pause Option?

Myriad offers clients a Premium Pause Option (PPO) to temporarily pause clients' life insurance premiums and life insurance cover for three consecutive months while maintaining guaranteed insurability until their premiums are automatically resumed.

Pausing premiums will normally result in all life insurance cover being forfeited for the period that the premiums are paused. However, if clients proactively apply for the PPO between 1 April and 30 June 2020, they will get **free ex gratia cover**¹ equal to **20% of their paused life cover benefit** during the premium pause period. The *ex gratia* cover will apply for the duration of the premium pause period at no cost to the policyholder, funded by Momentum. This will mitigate their financial vulnerability and exposure while they explore additional funding options to resume cover on all their life insurance benefits.

Which policies can qualify for the PPO?

All Myriad life insurance policies that have been in force for three months or longer will be eligible for the PPO², except for the following exceptions:

- Policies that are in arrears with payments will not qualify.
- Policies for which premiums are paid annually in advance will not qualify.
- Policies that are ceded will not qualify.
- Policies in lapse status will not qualify.
- Modified Death Benefit policies will not qualify.
- Policies on which claims have already been submitted for any of the benefits on the policy will not qualify.

What is the process to apply for the PPO?

Clients (policy owners) who want to apply for the PPO have to complete a Premium Pause Option application form per qualifying policy and submit it via e-mail to MyriadPremiumPauseOption@momentum.co.za. The PPO application has to reach us at least **three business days before** the regular debit order date.

If their request is approved, they will receive confirmation via e-mail where after three consecutive life insurance premiums on the nominated policy(ies) will be paused. After the three month premium pause period, premiums will again become payable and will resume automatically. When premium payments resume, no additional requirements or underwriting will apply. After the pause period cover will commence as per the contract rules.

¹ The *ex gratia* cover is applicable to life cover only and capped at a cumulative maximum of R3 million per policy. The *ex gratia* cover does not apply to any living benefit cover (no critical illness, disability, income protection or impairment cover).

² The PPO and the *ex gratia* life cover during the premium pause period is a temporary solution and Momentum Myriad reserves the right to cancel the availability of this option at its sole discretion.