

# Virgin Money Life launched in SA

Based on the success of its credit card and short-term insurance product offering, Virgin Money South Africa has added a new no-fuss product to its suite - Virgin Money Life. With Virgin Money Life, premiums are guaranteed for the first 24 months on the same risk profile and it's direct, so customers can arrange life insurance over the phone or online.

All it takes to sign up is a few short underwriting questions, with no medical examinations. HIV tests, if required, are done by means of non-invasive, saliva-based testing or traditional blood tests, if the customer prefers.

Virgin Money Life will offer cover up to R10 million, depending on the customer's requirements. The nominated beneficiaries of policyholders will receive the value of the life insurance policy in the event of the policyholder's death.

According to Vinay Padayachee, MD of Virgin Money South Africa: "Included with the policy is a R25 000 Funeral Benefit, which is paid out within 48 hours following the customer's death; a R5000 Memorial Benefit to assist with buying a headstone for the unveiling on the anniversary of a successful claim; and a product that ensures that customers have access to confidential testing and treatment within the critical 72-hour window period after potential accidental exposure to HIV.

## Terminal illness benefit

"Customers could also receive a Terminal Illness Benefit, which pays out if the customer falls terminally ill and his life expectancy is less than 12 months. Customers may also qualify for a Guaranteed Assurability Benefit to increase their cover amount when they experience a lifestyle change, without the need for further underwriting. For additional peace of mind, customers can choose to add disablement and dread disease cover."

Virgin Money Life is a level sum assured product, meaning that the level of cover won't reduce, but can be increased at any time.

Ultimately, it is a simple-and-straightforward product, and you do not need a broker to understand it. "It's also more cost-effective because of the efficiencies gained through going direct and there are no broker commission fees, which could amount to up to 22%," said Padayachee.

The direct life insurance channel is a formidable one. Two years ago there was only one direct life insurer, but the channel and model has proved so popular that six other direct insurers have subsequently launched. These direct life insurers have already captured 12% of the new business policy sales in this short space of time. The channel attracts both first-time buyers and the existing insured market looking for an alternative to the traditional broker market.

## **No brokers, no lengthy paperwork and no medical tests**

At the launch of Virgin Money Life, Sir Richard Branson said that Virgin Money's business ambition is to make "everyone better off". "Now, it's easy to arrange financial security for your family. With Virgin Money Life there are no brokers, no lengthy paperwork and no medical tests - it's just a phone call or you can apply online."

Virgin Money Life celebrated its launch with a donation of R342 000 to the Branson Centre of Entrepreneurship's "Accounting Comes Alive" course. The donation will pay for 180 entrepreneurs to attend the course.

The Branson Centre of Entrepreneurship supports budding young entrepreneurs, giving them the skills, opportunities and inspiration they need to launch and grow their businesses. The "Accounting Comes Alive" programme is designed to help businesses develop and, in turn, create jobs and stimulate the local economy.

"From inception, Virgin Money Life will be a force for good, from providing quality cover and value for money, to supporting causes that have potential to drive change for the better," concluded Padayachee.

Virgin Money Life is underwritten by 1Life.

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