

BUSINESS

BRIEF

FEATURE

ADVICE: GETTING THE BALANCE RIGHT

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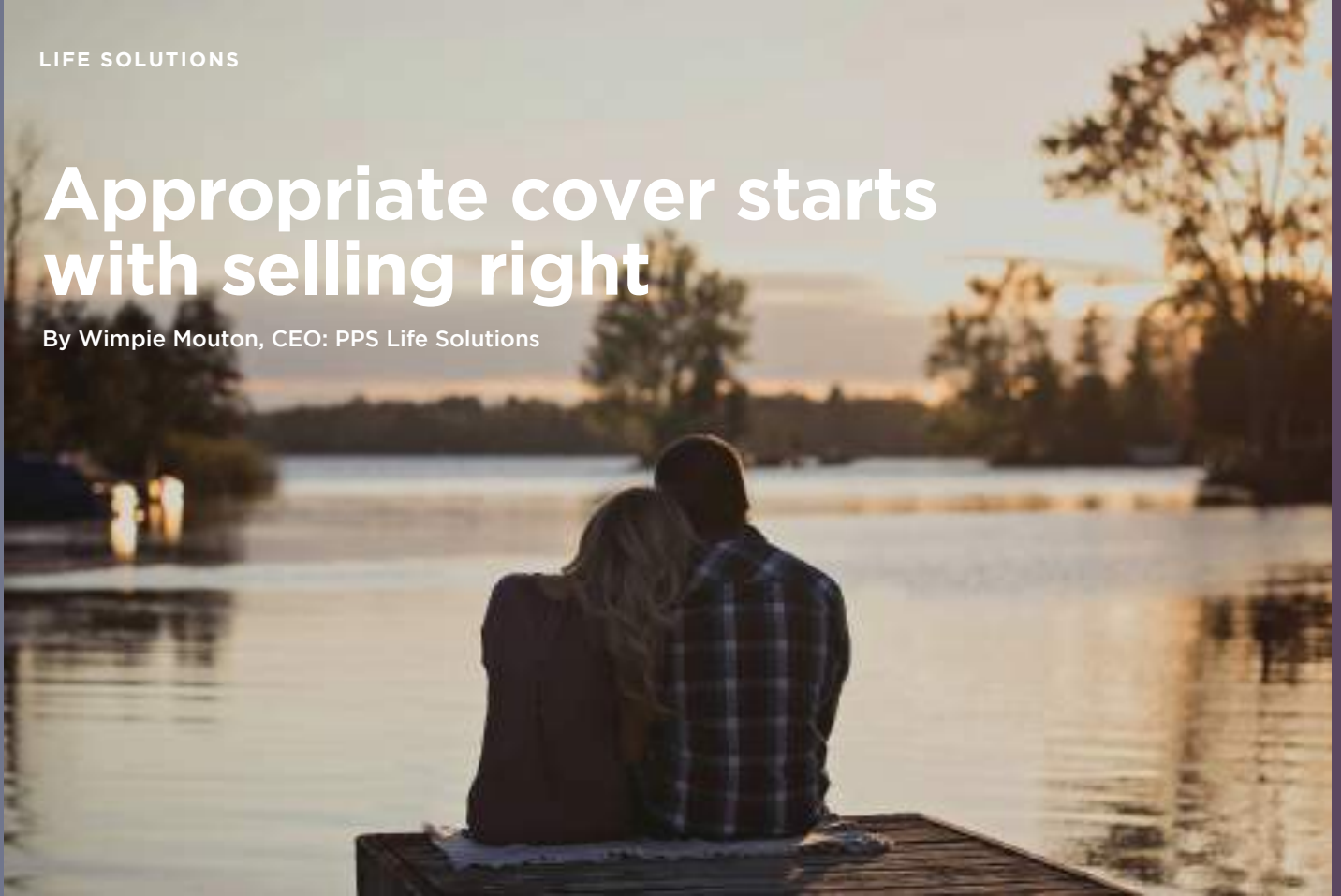
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PPS is a licensed insurer conducting life insurance business,
a licensed controlling company and an authorised FSP.



Appropriate cover starts with selling right

By Wimpie Mouton, CEO: PPS Life Solutions



The advice you give can change the course of a PPS member's life. In moments of sickness, disability or tragedy, the right level of cover can protect everything they have worked for – and the wrong level of cover can leave devastating gaps. That is why your role is not just about selling a product; it is about helping graduate professionals confidently navigate life's changes, ensuring they are neither under- nor overinsured.

WHEN LIFE CHANGES, SO SHOULD COVER

Insurance needs are not stagnant. They shift with the rhythms of life – a first job, a promotion, starting a family or even scaling back work to pursue personal goals. Take the example of a young physiotherapist who takes out cover based on their entry-level salary. As their career progresses and their income grows, they may forget to adjust their cover. If illness strikes and they need to claim under their Sickness cover, they could find themselves underinsured, with benefits that no longer match their lifestyle or responsibilities.

On the other end of the spectrum, a graduate professional who took out high cover early in their career based on ambitious income projections may find themselves overinsured if their earnings plateau or they shift to a less demanding role. They are left paying premiums for protection they do not need – and will not benefit from.

Even a change in work structure can create mismatches. A salaried professional who moves into freelance consulting might experience fluctuations in income but



if their cover is not recalibrated, they could be either overpaying or dangerously exposed. These real-life transitions – career shifts, family growth, lifestyle changes – all affect the level of cover a member needs.

INCOME – THE FOUNDATION FOR COVER

At the heart of appropriate cover lies what an individual earns. In the case of PPS, we refer to this as members' gross professional income (GPI). GPI should reflect actual earning ability – not outdated figures or optimistic projections. For salaried members, this includes total cost-to-company and performance bonuses averaged over three years. For self-employed members, it is a combination of personal income and business expenses. What matters is that the income is generated through their profession – passive income does not count.

When GPI is calculated accurately, it ensures that cover is not only appropriate but also meaningful. It aligns benefits with reality, giving members peace of mind that their protection is built on solid ground.



THE DANGER OF TOO LITTLE COVER

Underinsurance is a silent threat. According to the Association for Savings and Investment South Africa (ASISA)'s 2022 Insurance Gap Study, South African income earners face a staggering R34.4 trillion shortfall in death and disability cover. The average earner needs R1.8 million in life cover to maintain their family's standard of living, yet most have less than R800 000 – a gap of R1 million. For disability, the shortfall is even greater.

Even among high-income earners – ASISA's statistics show those earning more than R713 000 per year – the insurance gap remains significant, with an average shortfall of R3.2 million. This highlights that underinsurance is not just a low-income issue; it affects graduate professionals across the spectrum.

But the problem does not end with life-risk cover. South Africa's retirement landscape is equally troubling. The *2024 Retirement Reality Report* by 10X Investments confirms that only 6% of South Africans are on track to retire comfortably. The majority either are not saving at all or are saving far too little to maintain their standard of living in retirement.



THE COST OF TOO MUCH COVER

While underinsurance is clearly dangerous, overinsurance comes with its own set of problems – and they are often overlooked. It is easy to assume that more cover equals more protection, but in reality, excess insurance can quietly erode a member's financial efficiency.

Take the case of a graduate professional who has steadily increased their insured amount over the years, believing it is a sign of good planning. But if their income has not kept pace, they may be paying significantly higher premiums for cover that will not translate into a larger payout. That is because claims are typically assessed based on actual income before the event – not the insured amount. So even if a member is insured for more, they will not receive more than what their income justifies.

This is where your role as an adviser becomes invaluable. By helping members understand the true value of their cover – and ensuring it is based on accurate, up-to-date income – you protect them not just from financial loss but from the hidden costs of overinsurance. It is not about selling more; it is about selling right.

REVIEWS THAT MAKE A REAL DIFFERENCE

Annual portfolio reviews are not just a routine check-in. They are a powerful opportunity to uncover hidden risks and realign protection with reality. This is the moment to ask the right questions. Has the member’s income increased or decreased? Have they taken on new responsibilities, like a bond or did they have a child? Are they still in the same role or have they moved into private practice or consultancy? These reviews allow you to dig deeper, to investigate whether their current cover still fits – or whether it is time to adjust.

BECAUSE SUCCESS IS BETTER, SHARED

PPS understands that advisers cannot do it all alone. That is why we offer a suite of specialist support services to help you deliver the best possible advice. Whether it is technical planning, investment strategies, Wills and estate planning or retirement solutions, PPS is here to support you .

GO FOR THE WIN

As the year races toward its close, now is the time to sharpen your focus and push forward with purpose. Every conversation, every review, every adjustment you make could be the difference between a member being exposed or protected. If you need support in investigating potential over- or underinsurance, or want to tap into PPS’s specialist services to strengthen your advice, reach out to us. We are here to help you finish the year strong.

Thank you for your dedication – and all the best as you drive with determination toward the finish line.



SHORT-TERM INSURANCE: ARE HIDDEN GAPS PUTTING YOUR CLIENTS AT RISK?

Many property owners assume they have enough cover, only to discover during a claim that their short-term insurance falls short of the actual costs. This gap often occurs when property is insured at market value instead of replacement cost. Market value reflects what a buyer would pay, while replacement cost is what it takes to rebuild or replace items of a similar kind and quality.

Regular valuations by registered professionals can ensure that homes, valuable items and appreciating assets are insured at their true worth. Annual policy reviews allow for adjustments to account for inflation, asset upgrades and changes in building regulations.

It is equally important to consider hidden costs such as debris removal, temporary accommodation and upgrades required to meet current building codes. Without this cover, members may face significant out-of-pocket expenses at a time when they can least afford it.

Short-term insurance should be treated as a living financial tool. By reviewing policies regularly and understanding the actual replacement cost of all insured assets, members can avoid the financial strain that underinsurance creates and ensure they have the means to rebuild and recover fully if disaster strikes.



Wimpie Mouton

WHAT IF YOUR CLIENT FOUND THEIR HAPPILY EVER AFTER?

Imagine a world where your clients' financial well-being remains secure even if they become seriously ill. Where they know that simply having the Sickness and Permanent Incapacity benefit adds to their long-term financial stability, because it qualifies them for allocations to their notional PPS Profit-Share Account™ - a key contributor to lasting wealth.

**Make this a reality and help them turn
what-if into what is, with the PPS Sickness
and Permanent Incapacity benefit.**

Success is better, shared.

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid



Turn business assurance into a growth story for your clients

By Murray Visser, PPS Senior Technical Marketing Specialist

In today's volatile business landscape, Business Assurance has evolved from a niche offering into a strategic imperative. At its core, Business Assurance refers to a suite of insurance solutions designed to protect businesses against financial disruptions caused by unforeseen events such as the death, disability or critical illness of key individuals. These solutions not only safeguard operational continuity but also enhance stakeholder confidence and long-term sustainability.

Recent enhancements to PPS's Business Assurance offering demonstrate a thorough understanding of the challenges faced by graduate professionals who are business owners.

From 1 July 2025, the full suite of Business Assurance solutions qualifies for Profit-Share allocations, offering members a tangible return on their contributions. This brings an added layer of value to Business Assurance.

Allocations for key person cover, credit loan account and contingent liability will be made to the life-insured's notional PPS Profit-Share Account™*. The life-insured must be a natural person, a PPS member with a qualifying life-risk product and have an active PPS Profit-Share Account™. For buy-and-sell cover, allocations will be made to the policyholder's PPS Profit-Share Account™. This ensures that benefits are aligned with membership criteria while reinforcing the principle of shared success.

Operationally, the rollout has been aided by updated application forms, resolution templates and marketing materials.

Following the Profit-Share enhancement, we are still offering an exclusive Business Assurance special offer ending 31 March 2026. Existing members can apply for up to R20 million in cover, split across key person, buy-and-sell, contingent liability or credit loan account solutions. Prospective PPS members may qualify for R10 million or 20% additional of their existing cover.

To qualify for the special offer, all applications must go through PPS Specialist Support Services for financial underwriting purposes. The

value this team brings is a real game-changer – offering exceptional sales support and being there for you every step of the way.

Business Assurance is no longer just about risk mitigation – it is about strategic enablement. By combining strong insurance solutions with Profit-Share incentives and straightforward processes, PPS gives you the tools to help your clients build resilient, future-ready businesses. As the landscape continues to shift, business assurance stands as a cornerstone of financial planning, offering protection, continuity and shared prosperity.

At PPS, it is about mutuality and we believe that through these enhancements and special offers, success is better, shared.

Read more about the various Business Assurance offerings in the June edition of *Business Brief*.

* Members holding qualifying life-risk products share in the profit and loss of PPS through the notional PPS Profit-Share Account™, which vests on retirement from age 60 or death. Past performance is not necessarily indicative of future performance.



Murray Visser



Elevate member benefits into meaningful planning milestones

By Mmabatho Khang, PPS Communications Lead

When reviewing a client's financial journey, certain benefits can do more than offer short-term value. They can open the door to strategic conversations about career growth, health, retirement and long-term security. Three PPS benefits in particular – the South African Health Business Academy (SAHBA), the Retirement Summit and the PPS Healthy Weigh Challenge – offer unique opportunities to connect a client's present actions with their future objectives.

SAHBA: BUILDING BUSINESS STRENGTH FOR A SECURE FUTURE

SAHBA provides healthcare professionals with the tools to run their practices more effectively. Courses such as Transition to Practice, Women in Medicine, Practice and Personal Growth Strategies and the Practice Succession and Retirement Planning Retreat focus on the business side of healthcare. By encouraging clients to participate, an adviser can introduce planning topics such as business continuity, tax efficiency and saving for retirement. A well-run practice not only supports current earnings but also strengthens the value of an asset that may form a significant part of a client's estate.

Upcoming SAHBA events and courses

- Women in Medicine Forum:
 - Johannesburg: Saturday, 18 October 2025
- Transition to practice and Practice and Personal Growth Strategies:
 - Johannesburg: 1 – 2 November 2025
 - Cape Town: 8 – 9 November 2025

Read more about SAHBA and all the upcoming events at [About | SAHBA](#)

RETIREMENT SUMMIT: PREPARING FOR THE LONG TERM

The PPS Retirement Summit is an annual event that examines trends, risks and opportunities within the South African retirement landscape. Clients who attend gain access to expert insights, case studies and peer discussions that help them refine their retirement strategies. For advisers, the summit provides a natural opportunity to follow up with a detailed review, incorporating the client's new knowledge into updated projections, investment allocations and estate considerations. The event reinforces the message that retirement planning is a dynamic process that benefits from regular attention and professional guidance. The fifth annual Retirement Summit will be held on 11 October in Johannesburg and 25 October in Cape Town, more details to be shared closer to the event date.

PPS HEALTHY WEIGH CHALLENGE: LINKING WELLNESS AND FINANCIAL HEALTH

The PPS Healthy Weigh Challenge is an eight-week programme focused on sustainable lifestyle changes rather than short-lived quick fixes. Improved health can have a measurable financial impact, ranging from reduced medical expenses to maintaining one's earning capacity. This initiative creates a unique bridge between wellness and financial planning, allowing an adviser to discuss the benefits of medical aid, sickness cover and health-related savings goals. It also underscores the importance of protecting the ability to earn as the foundation of any financial plan.

FROM BENEFITS TO ACTION

By strategically highlighting SAHBA, the Retirement Summit and the PPS Healthy Weigh Challenge, advisers can transform member benefits into meaningful planning milestones. Each one provides a reason to engage, review and adjust a client's roadmap, ensuring that their professional, financial and personal well-being remain aligned.

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Better choices together.
'Us-made' instead of
'self-made'.

Financial Togetherness™

Plan with us. Insure with us. Invest with us.

More than a Will – A window into the bigger picture

By Roy McMurchie, Head of PPS Fiduciary Services

As a PPS-accredited financial adviser, you are at the forefront of helping graduate professionals build resilient financial plans. While most clients understand the value of insurance, investments and retirement planning, estate planning is often missing. It tends to be postponed or overlooked until it is too late. Yet, estate planning is not merely about drafting a Will. It is a strategic process that can bring to light critical gaps in your client's overall financial portfolio – including shortfalls in life or disability cover.

With September being Wills Month in South Africa, there is no better time to encourage your clients to engage with this vital process.

For many individuals, the estate planning process might be their first opportunity to take a holistic view of their finances through the lens of legacy. Questions like, “Who will inherit my assets?” or “Will my loved ones be financially secure if I pass away?” inevitably leading to broader conversations around liquidity, debt, taxation and family responsibilities.

This is where your role as an adviser becomes indispensable. By facilitating the estate planning conversation, you can help clients uncover important truths:

- They may not have sufficient life cover to settle liabilities or provide for dependants.
- They might lack disability or critical illness cover, putting their long-term plans at risk.
- Their beneficiary nominations may be outdated or misaligned with their current wishes.
- Their assets may be structured in a way that leads to avoidable estate duties or delays in distribution.

In other words, estate planning is not a standalone task – it is a catalyst for smarter, more comprehensive financial decisions.

THE IMPORTANCE OF HAVING A VALID WILL

Yet despite its importance, the consequences of not having a valid

Will can be far-reaching:

- The estate will be distributed according to the laws of intestate succession, which may not align with your client's intentions.
- Winding up the estate can become longer, more complex and more expensive.
- Family members may face unnecessary emotional and financial distress.

A valid, up-to-date Will is one of your clients' most powerful tools and you have a unique opportunity to guide them in executing it.

SUPPORT FROM PPS FIDUCIARY SERVICES

Even the most seasoned financial advisers may not be estate planning specialists – and that is perfectly understandable, given the technicalities and sensitivities involved. This is precisely where PPS Fiduciary Services steps in as your partner. Our team of expert fiduciary specialists is here to offer you the technical support and guidance you need to help your clients draft valid, effective Wills. By collaborating with us, you can extend your value to clients, ensure every Will is properly executed and confidently navigate the complexities of estate planning with professional support at every stage.

This Wills Month, take the time to talk to your clients about estate planning. It is not just about ticking a legal box – it is about revealing vulnerabilities, correcting course and empowering them to protect everything they have worked so hard for.

WHAT IS SKIN CANCER?



Skin cancer occurs when something changes how skin cells grow, like exposure to ultraviolet (UV) light. While it most commonly appears on skin frequently exposed to the sun, this form of cancer can also develop in areas not typically exposed to sunlight.

The three common types of skin cancer are:

1. Basal cell carcinoma

Basal cell carcinoma often appears as a slightly transparent bump on the skin, though it can take other forms. Often occurring in areas of the skin that are exposed to the sun, such as the head and neck.

2. Squamous cell carcinoma

Most squamous cell carcinomas of the skin are caused by too much UV radiation. They begin as a growth of abnormal cells in the squamous cells, which make up the middle and outer layers of the skin. While squamous cell carcinoma is usually not life-threatening, if left untreated, it can grow larger or spread to other parts of the body.

3. Melanoma

Melanoma begins in the melanocytes, the cells responsible for producing melanin, the pigment that gives skin its colour. It most often appears on

areas frequently exposed to the sun, such as the arms, back, face and legs. Symptoms include new bumps or patches on the skin or changes in the size, shape or colour of skin growths. Most skin cancer is treatable if detected early.

WHAT IS PPS'S VIEW ON SKIN CANCER?

Underwriting

During underwriting, the member's treating doctor completes a tumour questionnaire and the underwriter reviews the type, stage, recurrence and time since treatment. Squamous cell carcinoma (SCC) and basal cell carcinoma (BCC) are usually diagnosed early and have a good prognosis, though a higher risk of future skin cancers may lead to exclusions on Critical Illness Cover or rider benefits. Sickness and permanent incapacity cover is generally granted at standard rates, with exceptions in certain cases, and advanced cancers may result in a two- to five-year application postponement.

Melanoma is more serious due to its higher risk of spreading and late recurrence. Cover is typically postponed for six to ten years depending on stage and risk, though members may apply earlier with possible loadings and cancer exclusions.

Claims

Members can claim under PPS Critical Illness Cover for skin cancers, with eligibility based on the cancer stage. Stage 1 BCC and SCC generally qualify only under the basic product if excision involves a skin graft or flap. The EXPANDER Rider can award 10% for Stage 1 or 2 BCC and SCC, as well as some less common excised skin cancers. The EXACT Rider covers targeted cancer therapies, including those increasingly used for melanomas.

Excision of SCC and BCC usually does not require seven days of sick leave but larger or more complex procedures may qualify for the PPS Sickness and Permanent Incapacity benefit. Melanomas often involve extensive surgery, radiation or chemotherapy, potentially preventing members from working for extended periods. In severe or incurable cases, members may claim from the PPS Occupational Disability Provider, the Permanent Incapacity benefit or the Functional Disability Provider if significant impairment occurs.

Members with terminal cancer may claim under the Terminal Illness benefit of the PPS Professional Life Provider™ and beneficiaries can claim if the member passes away.

For full claim definitions and eligibility, refer to the PPS Provider™ Policy.

Meet Barend van der Westhuizen – Head: External Distribution

Barend van der Westhuizen joined PPS in May 2025 as Head: External Distribution, bringing with him more than two decades of experience in financial services. His role is focused on working with external advisers linked to PPS, ensuring they have the tools, insights and support to serve graduate professionals with excellence.

Barend's journey started after completing his B.Com Commercial Accounting degree at the University of Stellenbosch (despite spending plenty of time on the rugby field). In 2002, he became a financial adviser at Old Mutual, where, between cold calls, he completed his CFP® postgraduate diploma through the University of the Free State.

“Having been an adviser is the greatest preparation I could have had for the career journey I am still on,” says Barend. “It gives context, understanding and appreciation for the difference advisers make in society.”

One of his career highlights came when he was asked to be part of the launch of Old Mutual in Nigeria – a two-year experience he calls both an honour and a massive learning curve. In 2017, he joined Absa Insurance and Financial Advisory, ultimately becoming the executive responsible for that division before moving into the role of executive for relationship banking advice. In 2023, he completed the Advanced Management Programme through the International Institute for Management Development (IMD) in Switzerland, and two years later, PPS became his new professional home.

“It is a privilege to be part of the largest financial services provider on the African continent operating on the ethos of mutuality. Advice is a great passion of mine and we sometimes forget the incredible value delivered through financial advisers. You are the industry – everything we do should put you in the best possible position to put every single South African graduate professional in the best possible financial position they can be in.”

Barend is also unapologetic about the fact that this often comes down to selling a policy. “In the past, we shied away from using the words ‘selling a policy’, but if you think about it, the real change in a client’s financial position happens when a policy is sold – whether it is risk, investment, short-term cover, medical aid or even a Will. You bring in the money that funds the infrastructure we build, the education opportunities we enhance and the graduate professionals we help create. You are there in good and bad times, helping to build intergenerational wealth, one policy at a time.”

Outside of work, Barend's greatest passion is his faith, his family and sport. He and his wife Elana will celebrate their 20th wedding

anniversary in September. They have four children – two boys and two girls – all as sport-mad as their parents. “We hate losing,” he laughs, “which makes for some very competitive family board games”.

It is that same competitive spirit and commitment to teamwork that Barend brings to working with advisers. “I am really looking forward to engaging with you, learning from you and, together, continuing to make a difference in the lives of those we serve,” says Barend.



Barend van der Westhuizen



Take a finance tour through our capital

Explore the PPS Metropolis, play the game, and prosper.



Financial planning is no longer an abstract concept; it's now a place you can visit – and we are your guides. The PPS Orientation Experience puts the fun into finance. Wander around the city at your own pace, discovering new areas, earning rewards and collecting valuable knowledge. Start your adventure today. **Access the game through the PPS app, or scan the code.**



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Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid

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