

# FULCRUM INTRODUCTION & HISTORY

The Fulcrum Group of companies is South Africa's foremost independent provider of Premium Collection and Premium Finance to the insurance industry.

Our brand promise is **"We see it differently"** – and our track record illustrates that we certainly do. We've always taken the innovative route, developing systems that meet legal and regulatory requirements, to future-proof and de-risk our clients, and provide them with efficiency, convenience and cost savings.

Although our roots stretch back nearly three decades (and our leadership collectively boasts decades of experience in both the insurance and finance sectors), we first took the Fulcrum name in 2012 and officially launched to the market in 2013.



# THE FULCRUM GROUP

From the start, we've provided specialist financial and back-office support to brokerages, UMA's and insurance companies, helping them to optimise and de-risk their operations, save money and focus on what they do best: providing their customers with advice and service.

## FULCRUM Collections

We ensure that premium collections for brokers, UMA's and insurers are accurate, timely, efficient and risk-free.



We're a market leader when it comes to our premium collection solutions, as demonstrated by our three product offerings, which illustrate the evolution of our Fulcrum Collections business.

### Fulcrum Collections Legacy Model

We collect premiums on behalf of our clients, disburse commission and fees to brokers or UMA's, and pay over premiums to insurers and any other approved parties such as value-added product providers. This system is fully automated, with premium collection information readily available through our licence neutral interface.

### Fulcrum CollectDirect™

Fulcrum previously pioneered the direct collection concept, which fundamentally changed the premium collections landscape for the better by de-risking

the insurance collection process for insurers while simultaneously keeping the broker market involved and invested in the process. Fully compliant with insurance legislation, Fulcrum CollectDirect™ collects premiums from policyholders directly into the respective insurers' bank accounts, removing the need for guarantees.

### Fulcrum AirCollect™

Fulcrum's service offering continues to evolve. The Fulcrum AirCollect™ collection methodology is being developed using our learnings from the Legacy and Fulcrum CollectDirect™ models. Our new product will remove the admin layer of existing collection models and give both intermediaries and insurers better control and more transparency, with greatly enhanced access to data. Fulcrum AirCollect™ will allow direct collection into multiple destination bank accounts.

This means that a single debit order collection will instantly be split between net premium due to insurers, commission, fees and value-added products (VAP), before reaching the bank accounts belonging to the ultimate recipients. The real-time granular information received from the integrated broker management systems will result in far more efficient cash collection to bordereaux reconciliation.

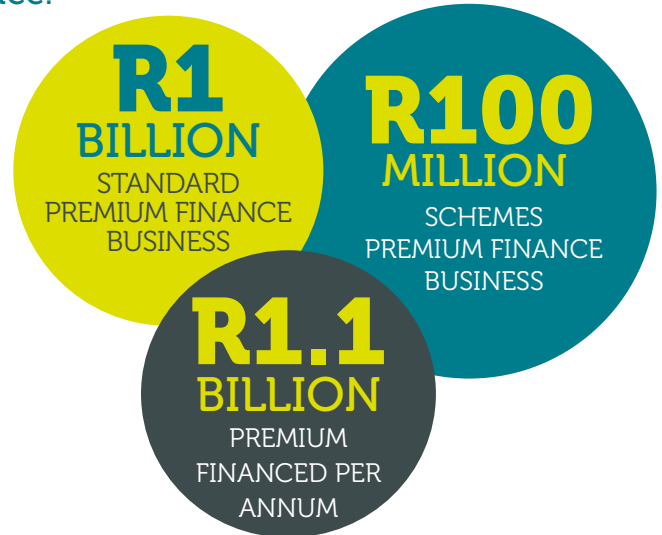
### ADDITIONAL SERVICES

Over and above our market-leading premium collection platforms, we provide our Fulcrum Collections clients with an array of additional services as part of our offering.

Foreign exchange, claims handling, deposits and payments, reporting as well as non-insurance collections.

**We are the largest independently owned, and most trusted, provider of premium finance within the South African marketplace.**

Our funding mechanism, backed by an experienced team and advanced systems, enables corporate and commercial clients to acquire annual insurance policies without negatively impacting their cash flow. This approach ensures that clients can benefit from comprehensive insurance coverage without the stress of upfront payments. At Fulcrum Premium Finance, we offer a straightforward, secure, and cost-effective solution, significantly reducing administrative burdens. Using state-of-the-art systems, our expert team ensures efficient management, allowing clients to mitigate risks effectively through insurance while maintaining healthy business liquidity levels.



### Client benefits

- Preservation of Capital: By financing their premium, companies can preserve their working capital and invest in core business activities.
- Cash Flow Management: Premium finance will allow companies to spread the cost of their insurance premium over time rather than paying a large sum upfront. This will enable the team to allocate resources more effectively to other business areas.
- Credit Preservation: Using premium finance does not impact the company's existing credit lines, and the credit comes at an attractive interest rate.
- VAT Benefit: The input VAT is claimable upfront rather than over the 12 months, which would be the monthly invoice.
- Security: No additional security is required outside the insurance policy.

### Broker benefits

- Improved Cash Flow: Brokers will receive their commission and fees upfront, improving their cash flow.
- Administrative Efficiency: Fulcrum will manage the monthly collections from the policyholder and will make a single payment to the broker and insurers for the premium and commissions owed.
- Enhanced Insurance Cover: By providing premium finance solutions, brokers empower their clients to afford the appropriate insurance coverage, which may result in acquiring more comprehensive insurance policies.
- Enhanced Service Offering: Brokers can provide a more comprehensive service package by offering premium financing options. This can be a key differentiator in the market.
- Client Retention: Brokers that offer flexible payment options through premium financing can improve their client retention, as clients value convenience and financial flexibility.