

When you're riding the waves, you need the right board...

We believe that having a policy that is flexible enough to work for life means your client can get on with the most important thing... living.

- o **Client** - Geoff
- o **Age** - Mid 30s
- o **Status** - Single
- o **Children** - None
- o **Salary** - USD100,000
- o **His job** - Management consultant
- o **Location** - Kenya

Needs:

- o Single life and critical illness cover
- o Keep costs low without overburdening his finances

Geoff has been with his partner for several years now, and wants to make sure he is prepared for the future. He has been thinking about life and critical illness cover, but has concerns about affordability.

Although his adviser would generally suggest a policy that is ten times the client's annual salary, for Geoff's case, suggesting a smaller policy of USD300,000 in life, with USD200,000 in critical illness seems to be prudent.

Geoff doesn't immediately need a high level of life cover. The policy can be indexed at 10% (more than inflation), so that over time it grows and slowly builds up to the right size without having an unnecessarily large policy at outset.

Geoff's adviser also explains that LifePlan policies can increase the amount of life cover in certain circumstances, e.g. if he gets married or if he has children. Geoff can increase the size of his cover by USD150,000 (in his case that's a 50% increase in the amount of life cover) without having to get more medical testing.

His premiums would increase at the same rate as the life cover, and if he increased the sum assured, there would potentially be a small increase in the cost of his benefits. This way of managing the policy keeps it cost effective but provides him with the cover he needs as his financial responsibilities grow.

With a LifePlan policy, Geoff can relax and enjoy the fun surfing the waves, without fearing a financial wipe-out.

Important notes

For financial advisers only. Not to be distributed to, nor relied on by, retail clients.

