# Global Education Protector

Ensures your children's education when you can't

## For most families education is one of the most important and expensive monthly costs. How would you provide for the education of your children if you became severely ill, disabled or died?

**This brochure will help you to understand what you need to do to ensure your children's education costs are covered. By doing this you will ensure a better future for your children.**

### Does your family need the Global Education Protector?

It is for parents who want to ensure that their children will have every opportunity to follow their dreams, even if the unthinkable happens.

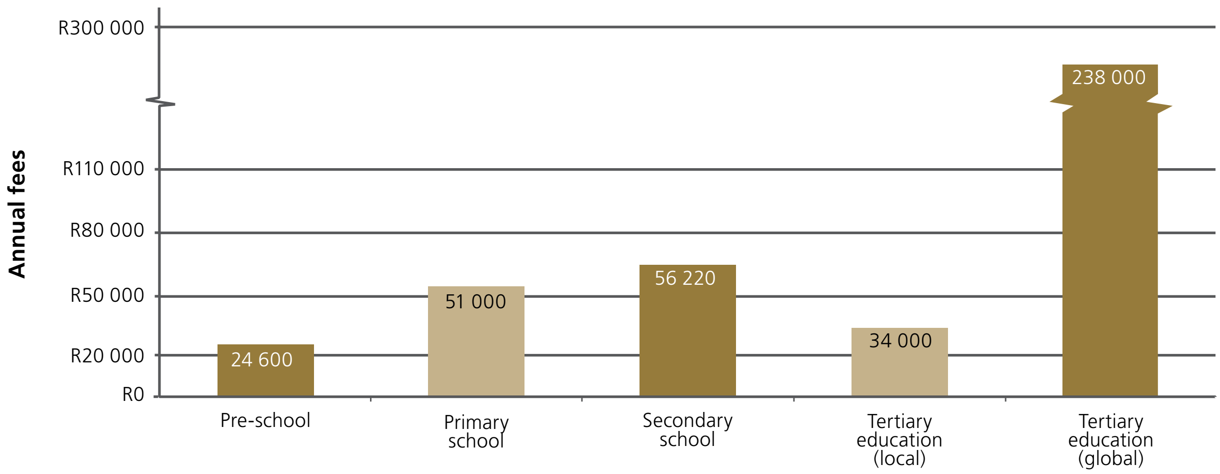
## How the Global Education Protector works

- The Global Education Protector enables you to meet the actual costs of your child's education – in South Africa and internationally. Your children will have the opportunity to study at top international universities like Harvard and Oxford.
- We will cover the costs of pre-school, primary, secondary and tertiary schooling.
- We will cover the cost of your child upgrading to private schooling from the beginning of the next education year.
- We cover tuition, residence and study material costs with this benefit.
- You and your spouse can be covered.

### Education costs

The cost of education, in particular private education, is high. The current cost of education, at various levels, is illustrated below.

Current cost of private education – 2010



## When your benefit is paid

You can choose a benefit that pays in the event of death, severe illness and disability, or on severe illness and disability, or death only.

The Global Education Protector works on an indemnity basis. This means that we will continue the education payments made by the policyholder immediately before his or her death, disability or severe illness.

All South African universities are included in this benefit, as well as technikons and recognised institutions providing trade-based certification (for example plumbing and electrical). Cover is also provided within Discovery's global network of universities.

Benefit payments will cover the actual education fees as well as an allowance of 30% of the university residence fees and 10% of the cost of the required books.

To qualify for a benefit payment, the child must be the natural or legally adopted child of the assured lives. A child born after the policy starts may be added to the policy, based on our underwriting requirements.

## Making sure that your payout is sufficient

Discovery Life will ensure that we continue the payments that the policyholder would have been making towards education before their death, severe illness or disability event.

The table below illustrates the value (in today's money) of the current maximum benefits provided by the Global Education Protector for a child entering at the specified education level if the life assured suffers a life-changing event.

| Education level | Pre-school | Primary school | Secondary school | Local tertiary institution | Global tertiary institution |
|---|---|---|---|---|---|
| Value of benefit | R24 600 | R357 000 | R281 100 | R142 800 | R999 600 |

Assumptions: Current costs for a child entering the appropriate level of schooling are shown, R/$ exchange rate: 7

For example, consider a family with two children, one entering primary school and one entering secondary school. Both of these children are expected to attend a local tertiary institution. The total cost of future education for this family is R1 204 800, which is the total amount that would be paid by the Global Education Protector if the life assured experiences a life-changing event.

## How long you will be covered for?

Cover lasts until the beginning of the education year in which your child turns 24 or completes his or her first qualification, be it a degree, diploma or trade certification.

Cover will also end when the main policyholder turns 65. If no claim has been made by this point, the benefit automatically converts to provide additional life cover, disability and severe illness cover for the assured lives.

## Paying affordable premiums

On the Global Education Protector, premiums are not guaranteed and will increase every year in line with the increasing costs of education and rand depreciation. The premium you pay every month depends on your individual circumstances. You can choose to take the Global Education Protector as part of the LIFE PLAN or as a standalone product.

The LIFE PLAN offers four flexible funding options that will help to make your LIFE PLAN as affordable and sustainable as possible.

You also have the option of lowering your LIFE PLAN premium simply by integrating your LIFE PLAN with other Discovery products and managing your health. For full details on how you can benefit from the range of Discovery Integrators, have a look at our *Integration and Premium* brochure, available from your financial adviser.

## And if you need to claim

We recognise that the most important test of an insurance company is when you have to claim. At Discovery Life, we take the payment of claims seriously. Our aim is always to save you from unnecessary worry by making sure that your claim will be assessed and settled quickly and fairly.

## What next?

For more information please speak to your financial adviser who will prepare a financial needs analysis for you. Once you have agreed on your requirements, your financial adviser will draw up a quote for you. If you are happy with the quote you will have to fill in the necessary application forms. You will also have to complete the necessary underwriting requirements to ensure you pay the most appropriate premium.

## The Blair family's story

Daniel Blair loves watching National Geographic and his dream is to become a world famous scientist. Although he's only 8 years old, he sees himself visiting remote islands, finding new kinds of spiders and insects. Even though his father, Sean, passed away tragically last year, Daniel's dreams are still a reality.

Sean Blair took out the Global Education Protector shortly before his death and since then, Daniel's education needs have been met, taking a huge financial burden off his wife, Sandy. Daniel will be able to go to a university of his choice in South Africa, or, if he gets accepted, he can attend one of the illustrious universities in the Discovery network, including Oxford, Yale and Cambridge.

## Want to learn more?

This brochure is a summary of the Global Education Protector. For full technical details refer to the Discovery Individual LIFE PLAN Guide or speak to your financial adviser. Your financial adviser and the LIFE PLAN Guide will give you full details of Discovery Life's products, cost structures and benefits.

## Which products are right for you?

Having the right protection is fundamental to building a lifetime of financial security. Consider the other protection products available so that you can create a personalised Discovery LIFE PLAN that addresses your particular needs.

The Global Education Protector is a strong additional benefit to complement the Capital Disability Benefit, Severe Illness Benefit and Income Continuation Benefit.

### Capital Disability Benefit

Discovery Life's Capital Disability Benefit provides a lump sum to ensure you remain finacially secure if you become disabled.

### Severe Illness Benefit

You can insure your lifestyle against the impact of severe illness. This means if you get severely ill you will receive a lump sum payout.

### Income Continuation Benefit

The Discovery Life Income Continuation Benefit allows you to insure your monthly income, so you will have a replacement income to help you maintain your standard of living should you not be able to earn an income due to injury or illness. In addition, the Overhead Expenses Benefit ensures your monthly business expenses are met under these conditions.

Keep in mind that examining the different benefits with a financial adviser and determining the appropriateness of each one for you is the best way to determine the level of financial security you need.

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