Wentzel Consulting
TRULY INDEPENDENT | WAARLIK ONAFHANKLIKE
FINANCIAL SERVICES | FINANSIËLE DIENSTE

Dear Dr A

INSURANCE PORTFOLIO

Your total monthly contribution for your Personal cover and Business cover is **R11 839.16**

Your monthly contribution for your INSURANCE A **Personal cover** is R6 166.46.
(after September increase R7 113.16)
Your monthly contribution for your INSURANCE A **Business cover** is R4 725.93.

After careful consideration, we have decided to include your INSURANCE A product in the total evaluation of your insurance portfolio.

CURRENT PERSONAL COVER UNDER INSURANCE A - Dr A

1. Your current contribution is **R6 166.46** per month. Your contribution will be increased to **R7 113.16** per month with effect from 1 September 2024, i.e. an increase of **15,35%.**

2. You are currently enjoying a **Life Cover** benefit of **R1 645 624.07**.

3. You are currently enjoying an **accelerated Severe Illness** benefit of **R822 812.04**, with a minimum Protected Fund benefit of R822 812.04. The insured amount will pay out on diagnosis of a severe illness or trauma event. You are allowed multiple claims under your Severe Illness benefit to a maximum of R1 645 624.07.

   However, the problem is that should you pass away after you have claimed the full R1 645 624.07 Severe Illness benefit, your Life Cover benefit will pay out only the minimum Protected Fund benefit of **R822 812.04**. Furthermore, all secondary severe illness claims will be paid at **50%** less of each previous claim.

4. You are currently enjoying a default Cash Conversion benefit of R40 800, payable at age 65.

5. You are currently enjoying an **accelerated Capital Disability** benefit of **R1 316 499.26.** Should you successfully claim this benefit, your life cover will be reduced by the insured amount.

6. You are currently enjoying a **Temporary Disability income protection benefit** of **R90 200** per month. This benefit will pay if you are injured and booked off due to accident or illness. Your current waiting is 7days and pays for 24 Months. Your wording criteria is **OWN** occupation.

7. You are currently enjoying a **Permanent Disability income protection benefit** of **R76 300** per month. This benefit will pay if you are Permanent disabled due to accident or illness. Your current waiting period is **24 Months and pays till age 65**. The problem however is your wording criteria of **OWN or SIMILAR occupation**. This means that if you can continue working in another occupation you will not receive your insured income per month.

8. You are currently enjoying a premium waiver on disability and death premiums.

9. Your current **contribution pattern** is **15,35%** per annum, with only a **3%** benefit escalation. This premium pattern will become very expensive over time, and with only a 3% benefit escalation PER ANNUM your benefit will also be inferior to other comparative products with a higher benefit escalation.

CURRENT BUSINESS COVER UNDER INSURANCE A - Dr A

1. Your current contribution is **R4 725.93** and is in your company's name.

2. You are currently enjoying a Life Cover benefit of **R4 477 448.13.**

3. Your current contribution pattern is **CPI + AGE RATED**. This means your contribution can be increased by any percentage per annum, with **no cap**. It also means that Discovery will add CPI plus the age-rated percentage together as a total premium increase per annum. Your benefit will increase by only **CPI.**

REASONS WHY WE HAVE CONSIDERED COMPANY B FOR YOUR PERSONAL LIFE COVER, SEVERE ILLNESS AND DISABILITY COVER

DR A, we have prepared a quotation for you with a **Life Cover** benefit of **R1 700 000**, a **Disability** benefit of **R1 300 000**, **R95 000 Per month Temporary Income Protection** benefit, **R77 000 Per month Permanent Income Protection** benefit and a **Severe Illness** benefit of **R830 000**.

Your monthly contribution will be **R5 176.64.**

1. Dr A, you will enjoy a Life Cover benefit of R1 700 000. You will enjoy an immediate **7**-year guaranteed term, which you can extend after 3 years. *You will enjoy a guaranteed premium increase of 10% and a 5% benefit increase. This means your cover will increase by only 10% per annum and not by 15,35%. Your benefit will also increase by 5% instead of 3%.*

2. You will enjoy a **Comprehensive Disability** benefit of **R1 300 000**. This benefit includes Own Occupation and a Functional Impairment benefit. This is a STAND-

LONE benefit of your life cover, which means that should you have claimed your entire Disability benefit before your death, your full Life Cover benefit will be paid out.

3. You will enjoy a R95 000 Per Month Temporary Income Protection benefit with a 7-day waiting period, back paid to day one for 24 months. Your wording will be OWN occupation.

4. You will enjoy a R77 000 per month Permanent Income Protection benefit from 24 months waiting period to age 70. Your wording will be OWN occupation.

5. You will enjoy a STAND-ALONE **Severe Illness** benefit of **R830 000**, in respect of which you will enjoy **multiple** claims. Your life cover will also not be reduced by each claim.

6. You will enjoy a **premium waiver** on your **disability** benefit. Should you become disabled, your policy premium will be paid by Company B.

7. You will enjoy an additional **Critical Illness** benefit for children of R83 000. You will enjoy a Breadth of Cover benefit. This benefit includes a severe illness that might not have been listed at the inception of cover.

BUSINESS COVER

We have prepared a quotation for **life cover** of **R4 500 000**.

Your contribution will be **R3 125.61**.

The major difference is that your contribution will be a guaranteed increase of **10%**. Your benefit increase will be **5%**.

In the light of the above, and after careful consideration, we would like to recommend the INSURANCE B product for your personal and business cover.

Your current total contributions to INSURANCE A are **R10 892.39** per month, and your new monthly contributions with effect from September will be **R11 839.93.**

Your current contribution increase is **15,35%** on your **personal cover** and **CPI + AGE RATED** on your **business cover.**

Your benefit increases are **3%** for your **personal cover** and **CPI** for your **business cover.**

In terms of our proposal, your total contribution for your **Personal** and **Business cover** will be **R8 302.25** per month, resulting in a **saving** in risk premiums of **R3 537.68** PER MONTH.

Your **contribution increases** will be capped at **10%** annually.

Your **benefit increase** for your personal and business insurance will be **5%** annually.

FURTHER IMPROVEMENTS IN YOUR PERSONAL COVER

We have managed to improve your SEVERE ILLNESS and CAPITAL DISABILITY benefits. These two benefits will now be STAND-ALONE benefits on your personal cover, which means we have improved your claim value on multiply claims.

We have managed to improve your INCOME DISABILITY benefits as well as your PERMANENT INCOME DISABILITY WORDING from own or similar to OWN occupation.

We have improved your LIFE COVER value by having the full value paid out at DEATH.

We believe you will benefit more from our proposed personal and business insurance.

Yours sincerely

Konrad Wentzel
Insurance Expert & Author
Authorized Financial Services Provider
FSP License no: 44403.

T: 021 913 9730
E: konrad@wenconsulting.co.za
C: 082 46 22212