



From Karen's desk

Unlocking the value of Sanlam's new Income Protector for your client

#12 Did you know?

We offer a Lump Sum Conversion Option rider benefit on our long-term income benefits – do you know how it works and what value it can add?

How does it work?

This rider benefit is available on our **Extended–, Accidental Extended- and Impairment Income** main benefits.

- ⌚ It provides the option to, at claim stage, **convert future income payments** on the main benefit to a **lump sum** amount.
- ⌚ The option can be exercised if we admit a claim on the main benefit for **total and permanent occupational disability**, if covered by the main benefit, or for **impairment cover that pays 100%** of the cover amount.
- ⌚ The option to convert is flexible in that it is **not a once-off opportunity** - clients can opt to first receive the monthly income without losing their option to convert at some future point, if their needs change over time.
- ⌚ The rate at which we will calculate the lump sum amount will be in line with market-related interest rates at the time. This ensures a **fair as possible conversion**, compared to a pre-determined conversion basis which might not be in the client's interest if market rates change over time.
- ⌚ The rider benefit also provides a **guarantee on early death** by guaranteeing the receipt of any remaining income payments until the end of a specified period, if the option event occurred but the option was not exercised and the life insured dies before the end of the specified period. This amount will be paid to the life insured's appointed beneficiary or to their own estate.

What value can it add?

- ⌚ While there are many advantages of receiving a steady monthly income rather than a lump sum amount, the option provides clients with the **flexibility** to choose between the two. Clients with large once-off expenses at time of claim may, for example, prefer a lump sum rather than a long-term income payment.
- ⌚ It provides clients with a **guarantee** that income payments will be received for a specified period, as opposed to payments ceasing once the life insured dies, which would be the case for clients who have not selected the rider benefit. This feature ensures that the rider benefit also provides value for clients who paid for the rider but ends up not exercising the conversion option.

For a relatively small additional premium you can add this rider benefit to your clients' long term income benefits to further enhance their income protection solution.



For more information about Sanlam's enhanced Income Protector range.

[CLICK HERE](#)

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