



**Clientèle**

# Clientèle Ultimate Foundation Plan



**iFA**  
A division of Clientèle Life

## Entry Age: 21 - 55

The Clientèle Ultimate Foundation Plan is the first step in building strong foundations for your future. Clientèle recognises that all IFAs need to take care of their families in the event of unforeseen circumstances and at the same time understands that saving is an important part of everyone's life. So in designing this product for IFAs, Clientèle has added a savings component to the valuable life benefits offered on the plan.



**R200**

Life  
Foundation

+



**R200**

Savings  
Foundation  
Minimum  
Premium

=

**R400**

Clientèle Ultimate  
Foundation Plan  
Minimum  
Premium

## Life Foundation: R200

**01 R50,000 Accidental Death Benefit**  
(reduces to 50% at 76 and ceases at 80)

**02 R50,000 Accidental Disability Benefit**  
(ceases at 70)

**03 R30,000 Dread Disease Benefit**  
(reduces to 50% at 60 and ceases at 70 and excludes pre-existing conditions.)

### Investment Percentage

From the first month 95% of the Savings Foundation premium starts accumulating an investment value.

### Earnings Guarantee Benefit

Upon an IFA's death or total and permanent disability, a lump sum equal to 12 months' IFA earnings, as per the month prior to the claim event, is paid. In addition, a payment equal to the last monthly earnings earned will be paid for every month 2 years thereafter.

### Investment Booster

Provided no claim or surrender has been submitted in the relevant period: for every 60 premiums paid the first 6 months' Life Foundation premiums will be paid into the Savings Foundation.

### Inflation Protection

Built in annual increases protect your policy from the effects of inflation: premium increases by 10% and Life Foundation Benefits increase by 6% annually.

### Premium Pay Back Benefit

All Life Foundation premiums paid, are paid back in the event of the natural or accidental death of the Policyholder after a 6 month waiting period. The Premium Pay Back Benefit is forfeited when a policy lapses and starts again after re-sale.

### IFA Business Fee Pay Back Benefit

All Business Fees paid, are paid back in the event of the natural or accidental death of the Policyholder after a 6 month waiting period. This is calculated from the commencement of the oldest Ultimate Plan and any Business Fees paid prior to the commencement of this plan are excluded. The IFA Business Fee Pay Back Benefit is forfeited when a policy lapses and starts again after re-sale. Only applicable on 1 IFA policy and should the IFA have more than 1 Ultimate policy, it will only be paid once.

### Pay Back Benefits at 65 Option

If an IFA is under the age of 50 when purchasing a Clientèle Ultimate Foundation Plan, the IFA has the option to select 50% of the Premium Pay Back and IFA Business Fee Pay Back Benefits to be paid when the Policyholder turns 65. The balance of the premiums will then be paid upon death.

# Clientèle Ultimate Foundation Plan Effective Annual Cost (EAC)

## EXAMPLE

### BENEFIT AMOUNT

Example based on a 32 year old IFA, who takes a **R400 Ultimate Foundation Plan** in 2024 and pays all premiums and IFA Business Fees and dies as a result of an accident after 10 years.

Accidental Death Benefit PLUS Premium Pay Back Benefit plus IFA Business Fee Pay Back Benefit.

**Total amount payable: R150,585.85** in addition to the accumulated savings in your Investment Account.

This example is based on an active IFA at death, all premiums and IFA Business Fees paid during this period and based on a 6% annual increase in the Life Foundation Benefits, a 10% annual increase in premiums, an appropriate increase in IFA Business Fees and no claims or surrenders during the period.

**Note: For the Clientèle Ultimate Foundation Plan the amount invested will be the Savings Foundation premium only i.e. R200, and does not include the Life Foundation premium or the IFA Business Fee.**



The Effective Annual Cost (EAC) is a measure which has been introduced to allow you to compare the charges you incur and their impact on investment returns when you invest in different financial products. It is expressed as an annualised percentage. The EAC is made up of four components, which are added together, as shown in the table below. The effect of some of the charges may vary, depending on your investment period (i.e. how long you continue to pay your policy). The EAC calculation assumes an investor terminates his or her investment in the financial product at the end of the relevant period.

The table below is illustrative and based on an assumed monthly Savings Foundation premium of R250 on the Clientèle Ultimate Foundation Plan (such a policy would have a total premium of R450 including R200 for the Life Foundation Benefit).

Impact of charges	Surrender After				
	1 Year	3 Years	5 Years	10 Years	20 Years
Investment Management*	1.0%	1.0%	1.0%	1.0%	1.0%
Advice**	0.0%	0.0%	0.0%	0.0%	0.0%
Administration***	9.5%	3.5%	2.2%	1.1%	0.6%
Other****	43.9%	12.3%	5.4%	0.6%	0.0%
<b>Effective Annual Cost****</b>	<b>54.4%</b>	<b>16.8%</b>	<b>8.6%</b>	<b>2.7%</b>	<b>1.6%</b>





# CLIENTÈLE ULTIMATE FOUNDATION PLAN FAQ'S



## 1 How does Clientèle Life help grow my savings?

Clientèle Life will invest a percentage of each Savings Foundation premium you pay on a monthly basis (in an investment portfolio). This portfolio is managed by professional fund managers who invest in shares listed on the Johannesburg Stock Exchange as well as other assets such as cash and property. Please remember that your investment account will be reduced each month by the relevant investment charges.

## 2 What happens when my policy reaches maturity?

When your policy reaches its maturity date, you have the option of withdrawing the full value of your investment account with no surrender charges or administration charge. Or, you can choose to leave the funds where they are and withdraw the full value at a later stage, also with no surrender charges or administration charge.

## 3 What happens if I die?

In the event of your death, your beneficiary will be paid the full value of your investment account without any deductions. In addition if you die in an accident, your beneficiary will receive the Accidental Death Benefit.

## 4 What happens if I want to surrender my policy?

A surrender is when you withdraw some or all of the funds from your investment. You may surrender your policy by contacting us on:

☎ 011 320 3000    ✉ [encashments@clientele.co.za](mailto:encashments@clientele.co.za)

It's very important to remember that this policy was designed as a long-term investment and it is in your best interests to pay the premium for the whole term on the policy before surrendering. If you choose to surrender the policy before this time, early surrender charges will apply. These charges are used to offset certain upfront costs which become unrecoverable. Early Surrender charges are never more than 15% of the investment account plus the administration charge (currently R500).

In terms of South African law, you may action a maximum of one partial or one full surrender during the first 5 years of the policy. Remember, that in order to get the maximum benefit from your investment, you should invest for the full 20 years. This policy has been designed as a long-term investment and early surrenders will have cost implications. Nonetheless, there is no surrender penalty after 120 premiums (10 years) have been paid. An administrative charge (currently limited to a maximum of R500) will still apply.

Portfolio performance does not take into account the investment charges and capital amount invested is not guaranteed. Depending on movements in the market, returns may be negative and past performance is not necessarily a reflection of future performance. You may request details of the investment's past performance through our call centre.

## IFA IS A DIVISION OF CLIENTÈLE LIFE

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Life insurance policies are underwritten by Clientèle Life Assurance Company Limited. Premiums escalate by 10% and benefits escalate by 6%.

Visit [www.ifa.co.za](http://www.ifa.co.za). Terms & conditions apply.