



LIBERTY

Education Savings Plan

SMALL SAVINGS CAN ADD UP
TO BIG DREAMS

Save for your child's future with
the Education Savings Plan





With our Education Savings Plan, your small payments can add up to big dreams

As a parent or caregiver you encourage your child to dream big and we all know that any big dream depends on a good education. However, sometimes nothing seems bigger than the task of providing for that education. At Liberty we know that it's more than just the tuition fees to pay, you also need to think about stationery, uniforms, school trips, projects and the list goes on.

That is why at Liberty we have developed the Education Savings Plan which helps you plan for your child's education, through small but manageable savings. You can save for your child's education from as little as £200 a month. You can also stop and restart your premiums at any time without penalties. And, in the event of retrenchment, we will even pay your premiums for you so that those big dreams don't get interrupted.



Why should you take out the **Education Savings Plan**?

Not only does the Education Savings Plan help you save for your child's education in a cost-efficient and effective way, but it also has a range of other benefits that will help you make those big dreams a reality.



A guided approach

At Liberty we provide you with a simple and effective saving solution by growing your savings in a competitive investment portfolio. We have developed an easy to use planning tool that allows you and your intermediary to estimate how much you may need to save for your child's education.



Helping you in times of financial difficulties

The Education Savings Plan offers you retrenchment protection should you be retrenched. We will pay your premiums for up to 6 months while you find new employment and get back on your feet so that your child's big dreams don't get interrupted.



Transparent pricing

There are no hidden costs with the Education Savings Plan. You only pay an upfront charge of 5% of your premiums and ongoing administration fee of 2.70% per year of your investment. There are no other charges, even for accessing your money.



A simple application process

You only need to choose how much you want to save each month. There are no complicated investment decisions as we have already chosen a competitive portfolio for your investment.



Flexibility to suit your budget

You can choose to pay your premiums monthly or annually. Should you wish to change your payment option, you may do so each year at no additional cost.



Easy access to your money

The Education Savings Plan gives you control over your savings. We encourage you to let your savings grow for at least 5 years so that your investment can get maximum benefit from market returns. After a 5 year period you can make partial withdrawals every 3 months for your child's education costs. If times are tough and you need to access your funds before the end of the 5 year period, you can withdraw your full investment within the first 5 years and terminate your policy with no penalties or charges.



Certainty in uncertain times

The uncertainties of life are a reality and we understand that. That is why we give you an option to stop and restart your premium payments with no penalties or charges. Your investment will continue with the money you've already invested and you can start premium payments again at any time thereafter. Liberty will automatically increase your regular premiums each year (currently 5% each year) to keep your investment in line with inflation. You can choose to opt out of this option or you can choose a different increase percentage.

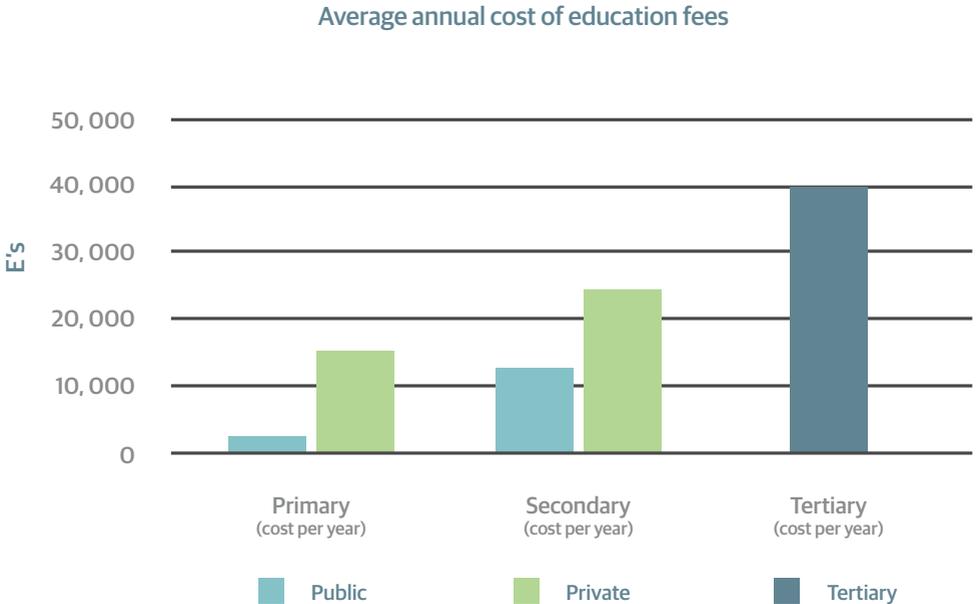
Take advantage of saving with the **Education Savings Plan**

The best time to start saving for your child's education is when they are born, however it's never too late to start if you haven't.

If you have more than five years to save before your child enters primary school, high school or university, we are here to help you plan so that you get the most from this time. If this isn't the case, you can always start saving for the next educational milestone for your child.



The graph below shows possible lower and upper annual costs for different educational milestones at a private and public level in today's value. This helps you understand the range in which you should expect your annual costs for schooling to be.



On average the total cost of providing for your child's education fees from primary school through to tertiary education (for 15 years of education: 7 years of primary education, 5 years of secondary education and 3 years of tertiary education) can range from E 51,000 to E 101,000.

Our intermediaries are equipped with the right tools to help you construct a tailor made savings plan that will put you on track to save for those big dreams.

(*Research carried out by Liberty)

Example

Our Education Savings Plan planning tool is there to help you understand how much you need to save to ensure that you can cover your child's educational costs. We can also help you plan annual payment increases to ensure that you can pay for other education-related expenses. To show you how you can benefit from the Education Savings Plan, have a look at the example below.



Meet Mr Dlamini. His wife has just given birth to a baby girl, Nomvuyo.

Mr Dlamini is concerned about the cost of his children's education. The current local secondary school fees are about £10,000 per year.

With his intermediary, Mr Dlamini determines that he would need to pay only £200 a month to be able to pay about £10,000 a year in 14 years' time for Nomvuyo's secondary school fees.

Mr Dlamini's intermediary points out to him, these monthly amounts are not taking into consideration the inflation of education costs over time. Each year the cost of education increases and this needs to be allowed for when planning for the future. Assuming that school fees will increase 6% each year, the cost of high school when Nomvuyo goes to high school in 13 years will be £22,000 per year.

After adjusting his calculations for inflation, Mr Dlamini and his intermediary determine that he would need to save £500 per month for Nomvuyo's secondary school fees.

Mr Dlamini's intermediary points out to him that the Education Savings Plan can be purchased with an automatic annual premium increase of 5%. This will allow him to start saving £300 per month for Nomvuyo's secondary school. If he decides to increase his premiums each year then he can start saving less now and gradually increase his premiums over time. This may be more affordable for him over time.

*Savings amounts are based on the output from the Liberty Education Savings Plan planning tool. These calculations are based on estimated returns.



Customise and maximise your Education Savings Plan

There are many inevitable events in life

- They can be positive. And this could include your child's educational needs. For example, you may move to a different city and your child may need to change schools, they may take up a new class or sport. Your intermediary is there to help you plan for these changes and adjust your savings plans so that you can continue meeting those educational needs. We encourage you to meet with your intermediary sales agent or accredited broker every year to ensure that your savings plan is still on track. This will give you peace of mind knowing that you are well on track in making your child's dreams a reality.
- Or they can be negative. For example, what if your plans to provide for their education got interrupted by you suffering a physical impairment or if you passed away? Who would make sure that your child's education is not interrupted?

We know how to change realities and with our comprehensive Education Protector you can have peace of mind knowing that your child's education can be taken care of when you can no longer do so. Should you become physically impaired or pass away, we will help you to provide for your child's education costs so that they can have the best possible start in life.

The Education Protector is a separate policy you can opt for to complement your Education Savings Plan.

This is how easy it is to get started.

Step 1 - Determine if you want to save for primary school, high school or university (or other tertiary education).

Step 2 - Determine how much you expect to pay in today's money for the school or university education chosen – alternatively our Liberty sales agent or accredited broker can suggest estimates of these based on your choices.

Step 3 - Contact us or your Liberty sales agent or accredited broker to help you develop your savings plan based on future educational costs – They will give you a quotation that details all important information for you to make a decision.

Step 4 - Fill in the application form, submit relevant supporting documents (ID, Proof of Residence and Proof of Source of income) and your investment policy will be effective within 5 working days.

A FULLY COMPLIANT POLICY FOR YOUR PEACE OF MIND

Ensuring your peace of mind, Liberty knows that trust is important in the lifelong relationship with our customers. In this regard, Liberty is aligned and compliant to legislation and best industry practices. As such you may be asked for additional information about yourself when applying for the Education Savings Plan and when you access your benefits. This is also to ensure the correct beneficiaries receive the proceeds from the policy.



Make those dreams a reality by giving your child the best education that you can with the Liberty Education Savings Plan

The Education Savings Plan is for you if:



You want to give your child the best chance of a good education.



You want flexibility in your savings plan for those unexpected expenses and changes.



You want to save for your child's education in a cost-efficient way in line with your affordability.



You want to protect your child's future with Liberty, a financial services provider that's been trusted for over 60 years.



For more information please contact your Liberty sales agent or accredited broker about Education Savings Plan or call us on **+268 404 3444** or visit **www.liberty.co.sz**

Terms and conditions apply.





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