

Who will pay the school fees if you pass away?

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"While most people understand the value of insuring, for example their bond, insuring their child's education isn't usually something that is top of mind or discussed when planning for the unforeseen. Clients are choosing EduCare™ because this is what it does and all it does; it uses a trust so there is peace of mind knowing that your insured funds for your child's future are not at risk if something should happen to you," - Alex Simeonides, CEO and co-founder of Capital Legacy



No one knows the value more than us South Africans, of ensuring that our kids have a good education.

It's the foundation for their future. It's the best chance they have of success in a world that is economically tough and uncertain. We tell ourselves that if they at least get a solid education, a well-rounded schooling experience and some decent tertiary education, then we've done our best as parents to prepare them to face the world.

It's a 12-year journey through school and another three or four years after that through varsity.

Ask any parent, having kids is expensive. School fees, school clothes, food, sports kit, sports equipment, sports tours, school excursions and the list goes on and on. And just when you think you're getting on top of the costs, your kids keep growing and need bigger shoes and clothes and rugby boots and ballet shoes. Never mind escalating school fees that don't seem to make sense every year.

But because we love our kids, we make sacrifices so that they have the best opportunities in life.

But what if something unexpected happens to you? What if you were to become physically impaired, severely ill or pass away? Who will keep paying the school and other fees for your kids?

Many people answer this question by saying, "That's why I have life cover."

The reality is that South Africans on the whole are grossly under-insured and life cover gets quickly swallowed up by debts and escalating living expenses. Expensive school fees, school clothes and sports costs get pushed down the priority list when you now need to budget for food and rent.

“All too often, with the estates that we administer, we see insufficient funding to maintain the children’s status quo for schooling and extracurricular activities. It’s heartbreaking to see kids having to deal with the loss of a parent and then be told they have to leave their circle of friends at school because there’s no funds available for this,” says Alex Simeonides, CEO and co-founder of Capital Legacy, South Africa’s leading provider of wills and estates.

There are some education protection products on the market, but according to Alex, these have always been positioned as a luxury or tag-on product.

“As far as we’re concerned, securing your kids’ educational future is not a luxury but a necessity. We’ve seen too many cases first-hand where kids’ lives are negatively impacted because of a lack of funds for their educational costs.”

To combat this problem, Capital Legacy has just launched a unique solution called EduCare™.

It’s basically ring-fenced cover that, should anything happen to you, pays into a trust for your kids with the sole purpose of covering their continued education, sporting and general care needs. The trust will be setup and administered at no cost by Capital Legacy’s trustees for the life of your kid, covering pretty much all their education and care costs all the way to the end of varsity, plus sporting needs, plus life starter cash to help your kid get going in life, and if all of this isn’t enough, a global education benefit.

“While most people understand the value of insuring, for example their bond, insuring their child’s education isn’t usually something that is top of mind or discussed when planning for the unforeseen. Clients are choosing EduCare™ because this is what it does and all it does; it uses a trust so there is peace of mind knowing that your insured funds for your child’s future are not at risk if something should happen to you,” notes Alex.

The solution is simple, for a small monthly amount you can rest assured that your child is looked after if you cannot.

“We’re so excited about this product,” says Alex, “We are all parents ourselves and we know how important this is for South Africans. We have deliberated on the best and most cost-effective way to solve this problem – EduCare™ is the answer and is the culmination of many years of learning and planning.”

EduCare™ in summary:

1. Covers school fees, school clothes, stationary, food, sports kit, sports equipment, sports tours, school excursions and tertiary education.
2. All trust and trustee fees are covered.
3. Has a single premium with no need to specify each child’s details.
4. Covers any beneficiary of the trust, including grandchildren and even unborn children.
5. Avoids the 'Use it or lose it' clause seen in many similar plans and pays a cashback if there is no claim.
6. Has a continuation option that can convert the benefit to life cover after your child leaves university.

It also has the following benefits:

1. An Optional **LifeStarter™ Benefit** that pays out a cash lump sum directly to your child at the age of 18 - perhaps for the purchase of their first car or to travel on a gap year?
2. The **Medical Studies Benefit** that covers up to R100,000 annually for the additional three years it takes students to study to become a medical doctor over a normal degree.
3. The **Achiever Benefit™** of R150,000 if your child achieves national colours.
4. The **Estate Duty Benefit** kicks in if any estate duty fees are incurred up to R500,000.

5. The **Global Bursary Benefit™** of up to R5 million in university fees if your child gets accepted into one of the top 50 global universities.

Learn more about Capital Legacy and [EduCare™](#) at www.capitallegacy.co.za.

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