

# TOP UP WITH THE POWER OF 3

Quantum's power of 3 provided policyholders with bonuses at the start, during and at the end of the payment term helping to boost fund values and offset product charges.

What you might not know is that the potential benefits of the power of 3 may also apply to regular premium top ups as well.

If you have a client with a policy issued from January 2015 onwards, and they top up their savings, they could benefit from an additional premium incentive on the top up amount, extra allocation on the premiums paid, and a loyalty bonus on the top up value at the end of the original payment term.

**Want to know more? Read on.**



**1**

**PREMIUM INCENTIVES**

Boosting clients' top ups by up to 600%

Top ups may benefit from a premium incentive if they meet the qualifying criteria as detailed below:

- There must be 10 years or more remaining of the original payment term; and
- The top up must be equal to or greater than the premiums detailed below:

Minimum premium levels:

Per month	Per year
GBP 300	GBP 3,600
EUR 360	EUR 4,320
CHF 450	CHF 5,400
USD 480	USD 5,760
AUD 540	AUD 6,480
HKD 3,750	HKD 45,000
JPY 51,000	JPY 612,000

Premium incentive as a percentage of the monthly premium:

Remaining payment term (years)	Premium Incentive
10 to 14	150%
15 to 19	300%
20 to 24	450%
25+	600%

**2**

**EXTRA ALLOCATION**

Bonus units with every premium paid

Topping up could result in additional bonus units with each premium paid over the remaining payment term.

As standard, 100% of each premium paid is used to buy units in the funds selected however, this could be increased to 101% or 102%.

This applies to the combined premium paid and not just the top up amount.

The qualifying premium allocation levels are detailed in the table below:

Ccy	Monthly regular premium allocation rates		
	100%	101%	102%
GBP	200	550	950+
EUR	240	650	1,150+
CHF	300	800	1,450+
USD	320	850	1,500+
AUD	360	950	1,700+
HKD	2,500	6,650	11,700+
JPY	34,000	90,000	160,000+

**3**

**LOYALTY BONUS**

Boosting values at the end of the payment term

Clients topping up with 10 years or more left of the original payment term will also get a loyalty bonus added to their policy at the end of the term.

The bonus will be equal to 0.25% of the value of the top up premiums for each year they are paid in full. Any year where premiums are missed will not count towards the bonus.

Loyalty bonus details below:

Remaining payment term (years)	Bonus %
5 to 9 years	0.00
10	2.50
15	3.75
20	5.00
25	6.25
30	7.50

## **ADDITIONAL INFORMATION**

If your client's policy was issued before January 2015, please refer to the relevant product Key Features Document and Terms and Conditions for further details.

## **PREMIUM INCENTIVES**

Premium incentives are allocated to the policy as initial units and are subject to standard product charges as detailed in the Quantum product literature.

The premium incentive has no value if the policy is surrendered within 5 years of the date when it was applied to the policy.

## **NO ADDITIONAL POLICY FEE**

The policy fee is deducted at a policy level. Therefore it doesn't matter how many top ups a client makes, only one policy fee will be deducted from their policy.

## **NO ADDITIONAL CREDIT CARD FEES**

If clients pay by credit card, then any top up will also be collected in the same way. Unless your clients pay by Amex which is subject to an additional 1% collection charge, no additional card collection fees will be applied by RL360.

For those clients who pay by Amex, if the top up amount qualifies for 1% or 2% extra allocation then this will help offset the Amex charge.

## **ONLINE FUND SWITCHING**

Don't forget that if you are registered for online fund switching you can continue to access over 350 direct funds (that's 180+ core funds plus currency variants), with no initial fund charges, no charges for switching funds or redirecting future premiums and no custodians fees.



## **INITIAL ALLOCATION PERIOD (IAP)**

Each regular premium top up coverage will be subject to its own IAP based on the remaining payment term.

As detailed in the table below:

Remaining payment term	IAP (months)
5 to 18	18
19	19
20	20
21	21
22	22
23	23
24+	24

For example, a policy with a 25 year payment term which has been running for 5 years when topped up would have 20 years of the original payment term remaining. The top up would be subject to a 20 month IAP (not 24 months as per the original premium)

## **INVESTMENT ADVISER FEE**

If your client has appointed you as the investment adviser and you already take a fee for providing this service, then it's worth noting that you will not have to wait for the top up IAP to complete for its value to be included when calculating your quarterly fee.

## **BUSINESS ACCEPTANCE REQUIREMENTS**

All top ups will be processed in line with RL360's business acceptance requirements, however signed illustrations and Key Information documents are not required for Quantum top ups.

Additionally, we can accept scanned top up forms, saving you time and money on postal/courier costs getting business issued quicker.

## **HAVE A QUESTION?**

No problem. If you have any questions with regards to your client's policy and whether they could qualify for any of the Power of 3 features, please do not hesitate to contact us or your regional sales manager.

## **IMPORTANT NOTES**

For financial advisers only. Not to be distributed to, nor relied on by, retail clients.

For further details, please read the relevant Key Features Document and Terms and Conditions for policies issued from January 2015 onwards.