



Registered Group Life & Death In Service Pension Insurance

Product Summary

What is Registered Group Life and Death in Service Pensions (DISP) Insurance?

Group Life Insurance provides a tax-free lump sum to the dependants of an employee who dies whilst covered by the policy. The benefit is paid into a Registered Trust so is normally tax free, unless the member's lump sum and death benefit allowance is exceeded.

DISP provides a regular income to financial dependants of an employee who dies whilst covered by the policy. The financial dependant will receive a monthly income which will be payable for life if the dependant is the spouse/civil partner or adult dependant. If income is paid to a child it will normally continue until they reach the age of 18 or 23 if in full time education. The payments are usually paid directly to the dependant and are subject to income tax.

There are usually no exclusions under the policy, although there is a maximum total amount that may be paid if multiple deaths arise from the same cause. Employees can't be covered under this policy beyond their 75th birthday.

What's in this document?

This document gives you high level information about our Registered Group Life and Death In Service Pension Insurance product. If you'd like more information, please read the Technical Guide or Policy Terms and Conditions on our website aiglife.co.uk.



The cover basics

Lump sum benefit	Any multiple of salary up to 20 or any fixed benefit amount.
Death in service pension (DISP)	<ul style="list-style-type: none"> Up to 80% of salary or any percentage of prospective pension. Payable to spouse/civil partner or financial dependant. In addition, can provide a separate pension to children (up to their 23rd birthday).
Minimum/maximum number of members	There's a minimum of three members, but no maximum.
Minimum premium	No minimum premium.
Premium payment frequency – based on the number of members when the new business or rate review quotes are produced.	<p>For schemes with up to 199 members: annually, quarterly or monthly by Direct Debit.</p> <p>For schemes with 200 or more members:</p> <ul style="list-style-type: none"> annually by BACS or Direct Debit quarterly or monthly by Direct Debit <p>There's no premium payment frequency loading.</p>
Data refresh frequency – based on the number of members when the new business or rate review quotes are produced.	<p>This is quarterly or annually (online) for schemes with up to 199 members.</p> <p>It'll be annually for schemes with 200 or more members.</p>
Costing basis – based on the number of members when the new business or rate review quotes are produced.	<p>Age specific rates: typically for schemes of up to 199 members.</p> <p>Unit rate: typically for schemes of 200 or more members.</p>
Reconciliation basis – based on the number of members when the new business or rate review quotes are produced.	<p>Exact cost cover (join and leave dates are used): quarterly data refreshes or annual data refreshes for schemes of up to 199 members.</p> <p>Simplified admin (joiners and leavers are assumed to have joined/left at the midpoint of the year): annual data refreshes for schemes of 200 or more members.</p>
Standard guarantee period	This is two years.
Late entrants	<p>We consider a late entrant to be an individual who</p> <ul style="list-style-type: none"> joins the workplace pension scheme 12 months or more after first being eligible and whose total benefit (lump sum benefit plus capitalised death in service pension benefit using the automatic acceptance limit capitalisation factor) is above £250,000 was absent due to ill health on the date they joined the workplace pension scheme for <ul style="list-style-type: none"> one week or longer in schemes with up to 50 members four consecutive weeks or longer in schemes with between 51 and 500 members, or 12 consecutive weeks or longer in schemes with 501 or more members, or changes their employee pension scheme contribution 12 months or more after first being able to do so and as a result has an increase in benefit and whose total benefit is above £250,000. <p>Cover for late entrants is subject to individual assessment before we'll consider providing cover.</p>

The cover basics

Absentees due to ill health	<p>At application stage, we reserve the right to amend or even withdraw our terms if</p> <ul style="list-style-type: none"> • in schemes of 50 or fewer members, a member has been absent due to ill health for a week or more and we haven't been previously notified of their absence, or • in schemes with between 51 and 500 members where any previously un-reported absences has lasted four consecutive weeks or more AND the member's total benefit, including the capitalised value of the member's DISP benefit using the event limit capitalisation factor, exceeds the annual premium quoted for covering the whole scheme. <p>Following benefit increases reflecting increases in salary, members absent through ill health on the day the increase is due to take effect will be covered for the increase only once they're next actively at work.</p> <p>If a member chooses to increase their level of cover under a policy covering flexible benefits, the increase will only take effect if they're actively at work on the day they select the increase.</p>
Escalation on DISP	<ul style="list-style-type: none"> • 0%, 3%, 5% • RPI or CPI to max of 2.5% or 5%
Age cover ceases	Linked to State Pension age or any fixed age up to a maximum of 75.
Early retirement cover	Available for lump sum benefit.
Extended cover	Cover beyond the age cover ceases is subject to individual assessment. Cover can't continue beyond a member's 75th birthday.
Redundancy cover	Available for lump sum benefit up to a maximum of 24 months.
Event limits	Based on the sums insured in each postcode, up to a normal maximum of £100 million (including the capitalised value of DISP).
Group travel limit	<ul style="list-style-type: none"> • Maximum of £40 million (including the capitalised value of DISP using the event limit capitalisation factor) if two or more members travel together. • Covers any temporary business locations, such as conference venues, for a period of up to seven days.
Automatic acceptance limits	Based on the number of members in the scheme. Maximum of £1.25 million (including the capitalised value of DISP).
No worse terms	Available, up to a maximum member benefit of £5 million (lump sum plus the capitalised value of DISP using the automatic acceptance limit capitalisation factor), other than where schemes are transferring to us from Lloyd's syndicates, in which case the maximum is £1 million.
Individual assessment	<ul style="list-style-type: none"> • Those with benefit over the automatic acceptance limit are assessed in respect of their benefit above, but not below, the automatic acceptance limit. • Discretionary entrants will be individually assessed for their full benefit (no automatic acceptance limit applies).
Once and done individual assessment	Available up to a maximum of £5 million benefit (including the capitalised value of DISP) per member.

Health and wellbeing support

Smart Health

All members insured through our group protection policies can access Smart Health at no extra cost. Smart Health gives unlimited, 24/7 access to online, telephone and video GP appointments as well as a range of health and wellbeing services. Smart Health is also available to the member's partner and any children up to the age of 21.

Smart Health is a non-contractual benefit that could be changed or withdrawn in the future.

Claims

Making a claim

A claim form can be downloaded from our website or requested by calling our Claims Team on 0330 303 9973.

Opting out of Insurance Act 2015 – paying claims in full

The employer has a duty to make a fair presentation of the risk to us. If they don't fairly present the risk and we'd have charged a higher premium (if we'd known the omitted information) the Insurance Act 2015 allows us to proportionately reduce the claim amount (but not charge the higher premium). We believe it's fairer to contract out of this part of the Insurance Act 2015. By contracting out we can pay those claims in full, rather than proportionately, whilst charging the employer the correct higher premium (and apply any other different policy terms which we'd have applied if we'd known the information).

Getting in touch

Questions or complaints

If you wish to raise any queries with us, or make a complaint, please contact our Group Protection Complaints Team at:

Group Protection Complaints Team
AIG Life Limited
PO Box 12010
Harlow
CM20 9LG

by email to groupcomplaints@aiglife.co.uk

or by calling 0330 303 9974
(calls may be recorded for training and monitoring purposes).

If you're still dissatisfied following a formal response to your complaint, you can approach the Financial Ombudsman Service at:

Financial Ombudsman Service Ltd
Exchange Tower
London E14 9SR
Tel 0800 023 4567



www.aiglife.co.uk

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