



# Group Income Protection Insurance

## Product Summary

### What is Group Income Protection?

Our Group Income Protection insurance pays a continuing income in the event that a member is unable to work due to ill health. The benefit becomes payable once the member meets the definition of incapacity and has been absent for a fixed period of time, known as the deferred period. The payments will continue whilst the member meets the definition of incapacity, up to a maximum period of time that is agreed when the policy is set up, e.g. two years or until the member's State Pension age.

The following is a high level outline of our Group Income Protection insurance. For full information, including details of where cover may be restricted or excluded, please refer to the Group Income Protection Insurance Technical Guide or Policy Terms and Conditions which can be found on our website [aiglife.co.uk](http://aiglife.co.uk).



## What are the key features of our product?

Vocational rehabilitation services	<ul style="list-style-type: none"> <li>• The objective of vocational rehabilitation is to identify and work with absent members who would benefit from support and funded treatment to help them recover and return successfully to the workplace.</li> <li>• Where appropriate, we'll appoint a Rehabilitation Specialist as soon as we are aware of the absence.</li> <li>• Our Rehabilitation Specialist will conduct a review of the absence to identify the steps, if any, which might help the member return to work.</li> <li>• The Rehabilitation Specialist will support the member and the employer throughout the period of absence and arrange any appropriate treatments and therapies which may aid the member's recovery.</li> </ul>
Min/max number of lives	Minimum three lives, no maximum.
Minimum premium	None.
Premium payment frequency - based on the number of members when the new business or rate review quotes are produced.	<ul style="list-style-type: none"> <li>• For schemes with up to 199 members: annually, quarterly or monthly by Direct Debit.</li> <li>• For schemes with 200 or more members: annually, quarterly or monthly by Direct Debit, or annually by BACs.</li> <li>• No premium payment frequency loading.</li> </ul>
Data refresh frequency - based on the number of members when the new business or rate review quotes are produced.	<ul style="list-style-type: none"> <li>• Quarterly or annually (online) for schemes with up to 199 members.</li> <li>• Annually or quarterly for schemes 200 or more members.</li> </ul>
Costing basis - based on the number of members when the new business or rate review quotes are produced.	<ul style="list-style-type: none"> <li>• Age specific rates: typically for schemes of up to 999 members.</li> <li>• Unit rate: typically for schemes of 1,000 or more members.</li> </ul>
Reconciliation basis - based on the number of members when the new business or rate review quotes are produced.	<ul style="list-style-type: none"> <li>• Exact cover cost: Quarterly data refreshes or annual data refreshes for schemes of up to 999 members.</li> <li>• Simplified admin: Annual data refreshes for schemes of 1,000 or more members.</li> </ul>
Standard guarantee period	Two years.
Late entrants	<p>We consider a late entrant to be an individual who:</p> <ul style="list-style-type: none"> <li>a) joins the workplace pension scheme 12 months or more after first being eligible whose total benefit is above £50,000 or who wasn't actively at work on the date they joined the workplace pension scheme, or</li> <li>b) 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 of more than 10%.</li> </ul> <p>Cover for late entrants is subject to individual assessment before we'll consider providing cover.</p>

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Benefit basis	<p>Employees:</p> <ul style="list-style-type: none"> <li>• Any percentage of salary up to a maximum of 80% (inclusive of employee pension scheme contributions).</li> <li>• Can choose to apply a fixed deduction chosen by the employer at outset, or a fixed deduction equal to the Employment and Support Allowance (ESA). This deduction will be applied whether or not this is actually paid by the State.</li> <li>• For schemes currently insured on this basis we can offer a fixed deduction equal to the ESA plus notional Work Related Activity Component. This deduction will be applied whether or not this is actually paid by the State.</li> <li>• For schemes currently insured on this basis we can offer a partially integrated basis i.e. ESA is only deducted if the member qualifies for it.</li> </ul> <p>Equity partners:</p> <ul style="list-style-type: none"> <li>• A percentage of earnings up to a maximum of 50% of earnings.</li> </ul> <p>Maximum benefit of £350,000 per year applies.</p>
Pension scheme contributions	<p>The basis of pension scheme contributions must be clearly defined and agreed with us.</p> <p>Employer contributions:</p> <ul style="list-style-type: none"> <li>• Up to a maximum of 35% of salary.</li> </ul> <p>Employee contributions:</p> <ul style="list-style-type: none"> <li>• Up to a maximum of 10% of salary.</li> <li>• Only if the employer contributions are insured.</li> </ul> <p>Overall maximum pension contribution of 35% of salary up to £75,000 per year applies.</p>
Employer National Insurance contributions	Available.
Age cover ceases	Linked to State Pension age or fixed age of 70.
Escalation	<ul style="list-style-type: none"> <li>• 0%, 3%, 5%</li> <li>• RPI to a maximum of 5% / 2.5%</li> <li>• CPI to a maximum of 5% / 2.5%</li> </ul>
Deferred period	8, 13, 26, 28, 41, 52 weeks.
Payment period	Payment to age at which cover ceases, or limited to 2, 3, 4 or 5 years.
Employer lump sum	<ul style="list-style-type: none"> <li>• Available for schemes of 20 or more members which have a limited payment period.</li> <li>• A multiple of between 1 and 5 x annual basic benefit or the member's salary at the date of incapacity subject to a maximum of £1 million (the multiple can't be more than the number of years in the limited payment period).</li> <li>• For an individual member, the lump sum can't exceed the number of months from the end of the limited payment period to cover cease age multiplied by the monthly basic benefit.</li> </ul>
Definition of incapacity	<ul style="list-style-type: none"> <li>• Own occupation.</li> <li>• Suited occupation.</li> <li>• Own occupation switching to suited occupation after two years.</li> <li>• Activities of daily working (for schemes currently insured on this basis).</li> </ul>
Extended cover	<ul style="list-style-type: none"> <li>• Available subject to individual assessment.</li> <li>• Members will be in a separate category with a cover cease age of 70.</li> <li>• Cover can't continue beyond the member's 70th birthday.</li> </ul>
Automatic acceptance limit	Based on the number of members in the scheme. Maximum of £150,000 benefit per annum.

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No worse terms	Available, other than where schemes are transferring to us from Lloyd's syndicates, where benefits will only be accepted up to our automatic acceptance limit.
Individual assessment	<ul style="list-style-type: none"> <li>Those with benefit over the automatic acceptance limit are assessed in respect of their benefit above, but not below, the automatic acceptance limit.</li> <li>Discretionary entrants will be individually assessed for their full benefit (no automatic acceptance limit applies).</li> </ul>
Once & done	Available.
Claims	Claims are to be notified to us by calling our Claims Team on 0330 303 9973.
Claim benefit paid	To the employer.  Claim payments are dependent on the employer and member engaging in any agreed vocational rehabilitation programme.
Proportionate benefit payable	Yes.
Linked claims	Yes.
Insurance Act 2015 – paying claims in full	<p>The employer has a duty to make a fair presentation of the risk to us.</p> <p>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).</p>
Questions or complaints	<p>If you wish to raise any queries with us, or make a complaint, please contact our Group Protection Complaints Team at:</p> <p>Group Protection Complaints Team AIG Life Limited The AIG Building 58 Fenchurch Street London EC3M 4AB</p> <p>by email to <a href="mailto:groupcomplaints@aiglife.co.uk">groupcomplaints@aiglife.co.uk</a></p> <p>or by calling 0330 303 9973 (calls may be recorded for training and monitoring purposes).</p> <p>If you're still dissatisfied following a formal response to your complaint, you can approach the Financial Ombudsman Service at:</p> <p>Financial Ombudsman Service Ltd Exchange Tower London E14 9SR Tel 0800 023 4567</p>



[www.aiglife.co.uk](http://www.aiglife.co.uk)

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