

Group Income Protection - Assumption text explainer.



1. Cover is not provided as part of a flex scheme.

Flexible benefits are typically provided by an employer by way of an allowance which allows employees to choose the benefits of their choice (either covering the full cost of the benefit or a partial contribution towards it). These benefits are often managed in conjunction with a flexible benefits platform.

2. No equity partners or non-executives to be covered.

Equity Partners have differing levels of cover available on some products so we would need to be able to identify equity partners, non executive directors and LLP members.

3. Cover is not voluntary.

A voluntary scheme is where the employee has the choice as to whether they want to be included in the Scheme or not.

4. Annual premiums.

Premiums are collected by direct debit (bacs may be available for large schemes), other options generally available are monthly and quarterly.

5. Cover for new joiners would start immediately (as opposed to after, say, a probation period).

Cover can start immediately upon joining (subject to any medical underwriting) or after they have been employed for a certain amount of time (service period), or probationary period, or the next renewal date etc. The same criteria should apply to each defined group of employees.

6. Cover would be provided for new joiners from age 16.

Cover can start for an eligible employee from age 16.

7. The scheme will remain open to all future employees until the insurer is advised to the contrary.

A closed scheme means that no further employees can be included in the category e.g. an acquisition where employee benefits were ring fenced and differ from those provided for other new joiners; or where cover was promised to a group and future employees would not be eligible to join/receive that level of benefit.



8. Nil escalation to be assumed.

If selected, a claim in payment would then increase annually until the cease date

9. No hazardous occupations undertaken by employees to be covered.

Occupational hazards are conditions surrounding a work environment that increase the probability of death, disability or illness to a worker. Examples can include, but are not limited to, forklift truck operators, pilots, off-shore workers, miners, firefighters, roofing operations.

10. No employees on secondment.

If yes, cover is normally provided for people who are temporarily seconded outside the UK for a limited period of time - generally 36 months although this can be reduced (illness or injury is treated separately and cover can continue to the termination/cease age of the Scheme).

11. No additional lump sum payment at the end of a claim period is included.

Can be between one and five times a member's initial benefit (maximums apply).

12. There are no participating employers.

We need to be informed of any participating employers.

13. You do not require pension contributions, national insurance or employer contributions covered

You can cover employer and/or employee pension scheme contributions and also employer National Insurance contributions. Insurer maximums apply

