

## What is registered group life and death in service pensions (DISP)?

Group life assurance provides a tax-free lump sum to the dependents of an employee who dies whilst covered by the scheme. The benefits are paid to the Trustees of the Registered Trust so are normally tax free unless the member's lifetime allowance is exceeded.

Death in service pensions provide a regular income to financial dependents of an employee who dies whilst covered by the scheme. The financial dependent will receive a monthly income which will be payable for the life if the dependent is the spouse/civil partner or adult dependent. 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 dependent and are subject to the income tax.

There are usually no exclusions under the policy although there is a maximum total amount that may be paid to the Trustees if multiple deaths arise from the same cause. Employees cannot be covered under this policy beyond their 75<sup>th</sup> birthday.

The following is a high level outline of our registered group life and death in service pension (DISP) product. For full information please refer to the registered group life [technical guide](#) or [policy terms & conditions](#).

## What are the key features of our product?

Lump sum benefit	<ul style="list-style-type: none"> <li>Any multiple of salary up to 15 or any fixed benefit amount</li> </ul>
Death in service pension (DISP)	<ul style="list-style-type: none"> <li>Up to 80% of salary or any percentage of prospective pension</li> <li>Payable to spouse / civil partner or financial dependent</li> <li>In addition, can provide a separate pension to children (up to their 23<sup>rd</sup> birthday)</li> </ul>
Minimum / maximum number of lives	<ul style="list-style-type: none"> <li>Minimum 2 lives, no maximum</li> </ul>
Minimum premium	<ul style="list-style-type: none"> <li>None</li> </ul>
Premium payment frequency	<ul style="list-style-type: none"> <li>Quarterly or monthly for schemes with up to 100 employees</li> <li>Annual for schemes with more than 100 employees</li> <li>No premium payment frequency loading</li> </ul>
Data refresh frequency	<ul style="list-style-type: none"> <li>Quarterly for schemes with up to 100 employees</li> <li>Annual for schemes with more than 100 employees</li> </ul>
Costing basis	<ul style="list-style-type: none"> <li>Single premium age related rates</li> </ul>
Standard guarantee period	<ul style="list-style-type: none"> <li>2 years</li> </ul>

Late entrants	<ul style="list-style-type: none"> <li>• Individuals who join a workplace pension scheme within twelve months of first becoming eligible will be covered up to the automatic acceptance limit</li> <li>• Individuals re-joining a workplace pension scheme at the auto-enrolment staging date or a re-enrolment date will automatically be covered up to the automatic acceptance limit, providing they have not been absent due to ill health: <ul style="list-style-type: none"> <li>○ in schemes with up to 50 members, for one week or longer</li> <li>○ in schemes with between 51 and 500 members, for four weeks or longer, or</li> <li>○ in schemes with 501 or more members, for twelve weeks or longer</li> </ul> </li> </ul> <p>Otherwise, they will be considered to be late entrants and any cover provided will be subject to an individual assessment.</p>
Absentees due to ill health	<ul style="list-style-type: none"> <li>• At application stage, we reserve the right to amend or even withdraw our terms if, in schemes of 50 or fewer members, a member has been absent due to ill health for a week or more and we have not been previously notified of their absence. If the scheme has between 51 and 500 members, we reserve the right to amend or withdraw our terms where any previously unreported absences have lasted four weeks or more AND the member's total benefit, including the capitalised value of the member's DISP benefit, exceeds the annual premium quoted for covering the whole scheme</li> <li>• 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 are next actively at work</li> <li>• If a member chooses to increase their level of cover under a policy covering flexible benefits, the increase will only take effect if they are actively at work on the day they select the increase</li> </ul>
Escalation on DISP	<ul style="list-style-type: none"> <li>• 0%, 3%, 5%</li> <li>• RPI or CPI to max of 2.5% or 5%</li> </ul>
Age cover ceases	<ul style="list-style-type: none"> <li>• Linked to state pension age or any fixed age up to a maximum of 75</li> </ul>
Early retirement cover	<ul style="list-style-type: none"> <li>• Available for lump sum benefits</li> </ul>
Extended cover	<ul style="list-style-type: none"> <li>• Cover beyond the age cover ceases is subject to individual assessment</li> </ul>
Redundancy cover	<ul style="list-style-type: none"> <li>• Available for lump sum benefits up to a maximum of 24 months</li> </ul>
Event limits	<ul style="list-style-type: none"> <li>• Based on the sums assured in each postcode, up to a normal maximum of £100 million (including the capitalised value of DISP)</li> </ul>
Group travel limit	<ul style="list-style-type: none"> <li>• Maximum of £40 million (including the capitalised value of DISP) if 2 or more members travel together</li> <li>• Covers any temporary business locations, such as conference venues, for a period of up to seven days</li> </ul>
Automatic acceptance limits	<ul style="list-style-type: none"> <li>• Based on the number of members and average benefits in the scheme. Maximum of £1.25 million (including the capitalised value of DISP)</li> </ul>
No worse terms	<ul style="list-style-type: none"> <li>• Available, up to a maximum member benefit of £5 million (including the capitalised value of DISP), other than where schemes are transferring to us from Lloyd's syndicates in which</li> </ul>

	<p>case the maximum is £1 million (including the capitalised value of DISP)</p>
Individual assessment	<ul style="list-style-type: none"> <li>Those with benefits over the automatic acceptance limit are assessed in respect of their benefits above, but not below, the automatic acceptance limit</li> <li>Discretionary entrants will be individually assessed for their full benefits (no automatic acceptance limit applies)</li> </ul>
Once and done individual assessment	<ul style="list-style-type: none"> <li>Available up to a maximum of £5 million benefit (including the capitalised value of DISP) per member</li> </ul>
Claims	<ul style="list-style-type: none"> <li>A claim form can be downloaded from our website at <a href="http://www.ellipse.co.uk/request_a_claim_form">http://www.ellipse.co.uk/request_a_claim_form</a> or requested by calling our claims team on 020 3003 6161</li> </ul>
Opting out of Insurance Act 2015 – paying claims in full	<ul style="list-style-type: none"> <li>The employer has a duty to make a fair presentation of the risk to us. If they do not fairly present the risk and we would have charged a higher premium (if we had 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 is 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 would have applied if we had known the information).</li> </ul>
Questions and complaints	<ul style="list-style-type: none"> <li>If you have any queries, please contact your adviser in the first instance. If you wish to raise any queries with us, or make a complaint, please contact our Chief Executive Officer at:            Ellipse            5<sup>th</sup> Floor            15 Bermondsey Square            London            SE1 3UN            or by email to <a href="mailto:puttingitright@ellipse.co.uk">puttingitright@ellipse.co.uk</a>            or by calling 020 3003 6160 (Calls may be recorded for training and monitoring purposes.)            If you are 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 4 567</li> </ul>

