

Swiss Life Preferred International Plan for Expats & Mobile Employees

GLOBAL EMPLOYEE BENEFITS SOLUTIONS

Death and disability

| MODULE | DEATH | DISABILITY |
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| <i>Cover</i> | <p>The objective of the policy is to provide cover which may be paid as a lump sum or as a pension benefit to a spouse or other nominated beneficiaries should a member covered under the plan die in service.</p> <p>The plan sponsor can decide the level of benefits to be provided on death in service and whether cover extends to payment of spouse's or children's pensions.</p> <p>This cover can be offered as a rider to retirement cover or as stand-alone cover.</p> | <p>The objective of the policy is to provide cover for the income protection benefits a plan sponsor provides to their employees who are unable to work through long-term illness or accident, including - under certain conditions - replacement of lost income whilst an employee has had to take a part-time or lower paid job.</p> <p>The plan sponsor can decide how soon and for how long this benefit is to be paid, and whether the payment is in the form of a regular income, a lump sum, or a combination of the two.</p> <p>This cover can only be offered as a rider to death or retirement cover.</p> |
| <i>Eligibility</i> | <p>Swiss Life Preferred is for companies (the policyholder) based within an EU/EEA country or in Switzerland, and with 5 or more mobile employees located worldwide.</p> <p>The minimum age at entry is 16 and maximum 69, with cover expiring at 70. Schemes must have defined but simple eligibility criteria with a compulsory entry structure (i.e. all employees in a defined grouping join upon satisfying the eligibility conditions).</p> <p>Different categories of members can have different benefit levels.</p> | |
| <i>Parameter</i> | <p>The plan sponsor can choose to provide either a multiple of scheme salary or a fixed sum insured per member as a lump sum benefit, following the death of the member due to all causes, or as a result of illness.</p> <p>Accidental death cover and Accidental death & dismemberment (AD&D) cover can also be added as riders to the main benefit.</p> <p>Alternatively, or in addition to the lump sum benefit, the plan sponsor can select a percentage of salary to be paid as a survivor's pension to a surviving spouse or partner, along with additional orphan's pension. Orphans and survivors pension are paid out as a result of the member's death due to all causes.</p> <p>The pensions can be fixed at outset or escalate in course of payment.</p> | <p>The plan sponsor can select a percentage of scheme salary to be insured with a maximum of 75% and also has the option to include the waiver of employer's contributions. The disability income is provided to members unable to work as a result of accident and illness.</p> <p>Total and permanent disability (TPD) - due to illness and accident, or due illness only, or due to accident only - can also be added as rider to the main benefit.</p> <p>Deferred periods of 3, 6, 12, 18 or 24 months are available for disability income and 12 or 24 months for lump sum benefits.</p> <p>Different definitions of disability are available. See definitions section at the end of the document.</p> <p>The pay-out period of the benefits can be up to normal retirement age (e.g. 65), a specific duration (e.g. 5 years, 10 years, etc.) or a specific termination age (e.g. 55, 60, etc.).</p> <p>The pensions can be fixed at outset or escalate in course of payment.</p> |

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| | | | Partial disability cover (33% or 50% degree of disability) is possible. | | |
| <i>Max. sums assured per life per annum</i> | Death lump sum | Accidental death or AD&D lump sum | Disability pension | Waiver of premiums | Total and permanent disability lump sum (TPD) |
| EUR* | 3,500,000** | 1,500,000 | 250,000 | 100,000 | 3,000,000 |
| | <p>* The reference currency for policy limits is EUR. The policy can also be denominated in CHF, USD and GBP, which may be subject to periodic change as a result of movements in Foreign Exchange rates.</p> <p>** This maximum also applies for the sum of all death covers (lump sum, accidental death, survivor's pension).</p> | | | | |
| <i>Benefit limits as multiple of salary</i> | <ul style="list-style-type: none"> • Lump sum death: 12 x S*** • Survivor's pension: 70% of S • Orphan's pension: 10% of S | | <ul style="list-style-type: none"> • Income protection: 75% of S • TPD: 8 x S • Waiver of premium: 25% of S | | |
| | *** S is the scheme salary. | | | | |
| <i>Exclusions</i> | <ul style="list-style-type: none"> • War risks (passive war risk cover may be available) • Direct consequence of crime or tort | | <ul style="list-style-type: none"> • War risks (passive war risk cover may be available) • Direct consequence of crime or tort • Deliberate act of the insured person • Direct consequence of intoxication through either alcohol or drugs • Nuclear accident or exposure to radioactive matter • Claims for non-objectively definable illnesses or without clinical evidence are payable for a maximum of 24 months | | |
| <i>Free cover limit</i> | <p>Death and disability plans with compulsory entry eligibility conditions will normally have a free cover limit to provide immediate benefits for members joining the scheme. The free cover limit granted is subject to new entrants being able to satisfy actively at work requirements, and anyone unable to do so will have to return to work in their normal occupation for 28 consecutive days before cover is granted.</p> <p>Members with benefits in excess of the free cover limit will be covered for benefits up to the free cover limit subject to satisfying both requirements mentioned-above, and will be medically underwritten for their benefits in excess.</p> <p>At renewal, members with increased benefits will only be medically underwritten for the additional amounts if the increase is higher than 25% or EUR 250'000 whichever is lower. Medical underwriting for the additional amounts will be waived if the increase in benefits is due to the birth of a child.</p> | | | | |
| <i>Actively at work requirements</i> | <p>The standard requirement is for the member to be actively at work on the day of entry to the plan and capable of performing their own occupation. For disability schemes with less than 20 lives there is an additional requirement to satisfy to the effect that the employee has not been absent from work on account of illness or injury for more than 10 consecutive days in the last 3 months.</p> | | | | |
| <i>Transfer of existing cover</i> | <p>Where Swiss Life is taking over cover from an existing provider, we will normally be able to guarantee no worse terms transfer of existing entitlements for members with benefits in excess of the free cover limit. This facility is subject to the member not currently having been off work for more than 3 months on account of illness or injury and applies to cover up to the policy maximums.</p> | | | | |

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| | <p>Details of any member who has existing death cover (including the capitalised value of a survivor’s pension) in excess of EUR 1 million or total disability benefits of EUR 100,000 per annum to be taken over need to be communicated to Swiss Life in advance for reassurance purposes.</p> <p>Members who have been accepted on non-standard terms need to be communicated to Swiss Life in advance of the transfer of existing cover. Non-standard terms include postponement or declinature of cover, the operation of exclusions or liens and acceptance of risk at additional rates of premium for any reason.</p> <p>For all transfers of cover a copy of the previous insurer’s underwriting acceptance will be required to detail the date of the decision; the level of cover and any non-standard terms imposed. Once Swiss Life receives this information the take over terms will be confirmed.</p> | |
| <p><i>Definitions</i></p> | <p>For Disability income, the following disability definitions are possible:</p> <ul style="list-style-type: none"> • Standard definition of disability, or • Own occupation for all years, or • Any occupation for all years. <p>For TPD, the following disability definitions are possible:</p> <ul style="list-style-type: none"> • Alternative occupation, or • Any occupation. <p>The standard definition of disability is own occupation for the first two years of claim followed by alternative occupation thereafter. This means that the employee is not able to perform the material and substantial duties required of them in their current occupation, and after two years of claim there is no other reasonable alternative occupation for which they are suited that they can perform.</p> <p>Material and substantial duties are the essential activities for which they are employed, that take up a significant proportion of their time and that cannot be reasonably omitted or modified by them or by their employer.</p> <p>An Alternative occupation is an occupation to which they are suited by their transferable skills at that time which should provide reasonable, though not necessarily comparable, salary and status in relation to their current occupation.</p> <p>Any occupation is an occupation carried out for remuneration or profit.</p> | |
| <p><i>Other benefits</i></p> | <p>Plan sponsors have access to a web-enabled platform that lets them manage their risk (and retirement) schemes online. Facilities include:</p> <ul style="list-style-type: none"> • Enrol new employees into the scheme and manage employees when leaving the scheme • Batch export & upload employee data at renewal • Edit employee data, accept / reject employee change requests • View scheme details and download scheme relevant documents (e.g. plan rules, etc.) • The plan sponsor is free to define the type of online functionalities that are made available to the members (e.g. view and download of forms, certificates, plan rules, define beneficiaries, update personal data, define language of communication, etc.). <p>Each member receives a certificate attesting the type of level of benefits covered on a yearly basis.</p> | |
| <p><i>Provider</i></p> | <p>The Company (policyholder) can opt for an insurance policy with Swiss Life (Luxembourg) SA or a pension fund solution with Swiss Life International Pension Fund asbl.</p> <p>Swiss Life (Luxembourg) S.A. Registered offices: Vertigo Naos Building - 6 rue Eugène Ruppert - L-2453 Luxembourg. A limited company incorporated under Luxembourg law and authorised by Ministerial Order on 2 May 1985 - Trade Register Luxembourg B22663.</p> <p>Swiss Life International Pension Fund asbl Registered offices: Vertigo Naos Building - 6 rue Eugène Ruppert - L-2453 Luxembourg. A non-profit organisation incorporated under Luxembourg law and authorised by Ministerial Order of 4 June 2008 – Trade Register Luxembourg F7605.</p> | |