



The Company's Life Assurance Scheme

This document gives you more information about the Company's Life Assurance scheme, as mentioned in your offer letter or employment contract. Employees of OTL Group companies are usually eligible for the Life Assurance Scheme.

What is the Life Assurance Scheme?

The Life Assurance scheme is an insurance policy which was established some time ago. All employees are enrolled on the Life Assurance scheme when they have three months' service (this includes temporary staff/interns if they are with the company for longer than three months). Three months is usually the length of a probationary period.

Company Life Assurance schemes are often referred to as 'Death in Service' or 'DIS' schemes. They are intended to pay out a one-time, lump-sum benefit to an employee's nominated beneficiaries if tragedy struck and that person were to die while they were still an employee of the company.

What does it cost – do I need to pay a joining fee or monthly contributions?

No, we don't pay anything to join the scheme, all costs are paid by the Company.

How much is the lump sum insurance money?

Our policy pays two times whatever the employee's salary is at the time of death, e.g. if you were earning £25k p.a. then £50k would be paid to whoever you had nominated.

How do I join the scheme?

You will be automatically enrolled to the Life Assurance scheme when you have 3 months' service. You should think about who you would like to nominate to receive your lump sum benefit payment and complete a 'Nomination of Beneficiaries' form. Make sure you hand the form back to HR.

Can I opt out of the scheme?

All eligible employees are signed up to this Life Assurance policy scheme, there is no opt-out procedure.

How is the *Nomination of Beneficiaries Form* used?

The nomination form is not a legally binding document, so it doesn't replace or supersede an employee's *Last Will and Testament*. The form is known by insurers as an '*Expression of Wishes*' and it helps the scheme's have a guide on who an employee would have wanted their lump sum to be sent to.

Who are the trustees of the scheme?

The trustees of the Life Assurance Scheme are the company's senior board directors.

What if I don't complete a Nomination Form?

If an employee doesn't nominate any beneficiaries, then the lump sum would be paid into that employee's "Estate" in the event of their death which, for some people, can mean a long legal delay while probate is granted. Completing the form is a quicker and less distressing way of getting the money to your loved ones.

What if I change my mind about who I've nominated?

You can complete a new nomination form at any time. Download a copy of the form, fill in your new details and give a copy to HR. It's a good idea to review your form from time to time.

What if I die before I have a chance to update my form?

It is important to note that in certain circumstances, the trustees can review and discuss what is stated on a nomination form if they feel strongly that it is no longer expressing the wishes of the deceased employee.

Obviously, with a Will this isn't the case and what a Will states is what must happen by law.

What happens to my Life Assurance Policy if I leave the company?

If you cease to be an employee of an OTL Group company, then your Life Assurance policy lapses on your last day at work. The policy only covers employees of OTL and its parent or subsidiary companies.

OTHER QUESTIONS PEOPLE HAVE ASKED ABOUT WHEN AND HOW THE POLICY PAYS OUT

Do I have to have died at work to qualify for the payment?

No, you don't have to have died at your desk to qualify for the payment! The policy applies so long as you're an employee - so it continues to apply at the weekend/evenings and while you're off on holiday.

What if I'm doing a dangerous sport or activity and I die as a result, will the Life Assurance policy pay out?

Yes, this scheme will pay out on death irrelevant of how it occurs. The insurer only sets limits for 'catastrophic events' where many people perish at the same time (for example like in an earthquake or tsunami). They identify such rare events in their technical guides.

What if I'm still alive but in a coma...Curtis Brown keep my job open for a number of months but after that I am technically dismissed, what if I die after I've "left" the company?

The benefit will only be paid to a member who is *actively* employed by the company. The insurer does offer the option of covering redundancy and early retirement to the group life scheme and the trustees would investigate these options in the rare case that the above scenario occurred.

What if I commit suicide?

Again, the scheme will pay out irrelevant of how the death occurs.

What if my partner or nominated person dies at the same time as me?

The trustees will always try to find the next most relevant beneficiary, i.e. your children, siblings, parents etc. If none were to be found, then the payment must go to the government.

Can the payment of the lump sum ever be taxable?

Yes. If the lump sum takes the recently deceased employee over the *pension life time allowance*, then it can be subject to a tax charge. If you are concerned about this, then you should speak to HR or the Company's Independent Financial Advisor.

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WHAT DO I NEED TO DO NOW?

Complete the 'DIS Nomination of Beneficiaries' form and hand it back to HR.

If you have any questions, then please contact HR.

IMPORTANT: This DIS policy does not act like an Income Protection Scheme. It will not cover you during any long periods of sick leave or if you have an accident and are unable to work. It is not the same as a Life Insurance policy that may cover you up to age 70 whichever organisation you work for – or even if you're not working. You may want to investigate such other schemes and policies in addition to the company's Life Assurance Scheme.

You should be aware that OTL Group Ltd has no jurisdiction over any other scheme and can take no responsibility for advising on or providing any other scheme than the Life Assurance DIS scheme as described above.

We would always strongly advise you to take independent financial advice before purchasing any financial products.