

optus



Group Protection
Product Profile & Technical Guide

Key Features

- Comprehensive Cover for your Employees
- Minimum of just Five Members per group – No Maximum
- You choose the level of cover, up to five times Member Salary
- Additional benefits can be included
- Choice of Policy Denomination Currency
- Policies Reviewed Annually
- Free Cover Limit
- Policies can be written in Trust
- Cover outside Country

Technical Guide

Type of Policy

The Optus Group Protection policy is a standalone group life policy – with optional additional benefits – issued by Friends Provident International Limited (FPIL). The policy is designed to enable employers to offer additional occupational benefits to their employees as part of their overall remuneration package.

Minimum Membership

The minimum number of lives that can be covered by a policy is five – there is no maximum.

Each policy can be set up with two separately identifiable groups of employees. This allows the policyholder to select different levels of cover for each group. The minimum number of employees per group is five.

Member Age

Minimum: 18

Maximum: 70

No more than 10% of the total sum insured can be on lives over age 65.

Death Benefit only is available for members aged 65 to 70, or state retirement age of the employee's country of residence if lower.

Currency

Optus Group Protection policies can be denominated – and premiums paid – in US dollars (USD), UK sterling (GBP), euro (EUR) or UAE dirham (AED).

All policy benefits will be paid in the currency in which the premium is paid.

Policy Term

All policies are annually renewable. On each policy anniversary the terms upon which FPIL is able to provide protection benefits for the policy will be reviewed and a revised premium calculated. This will be based on – amongst other things – employee head count, revised salaries, location of work premises and FPIL's claims experience.

Payment of Premiums

Premiums will be accepted by Telegraphic Transfer annually in advance, from the employer.

The cost of making Telegraphic Transfers will be borne by the employer.

Minimum Premium

The cost of cover for each policy will be individually calculated, however the following minimum annual premiums apply to each benefit group:

Currency	Minimum Annual Premium
USD	5,000
GBP	2,500
EUR	3,750
AED	18,300

Technical Guide – Type of cover

Group Life – Natural Causes Only

A policy set up on this basis will provide a lump sum death benefit if the member dies as a result of natural causes only before the end of the policy term.

Additional benefits cannot be included, although Repatriation Benefit (see page 5) will apply.

Group Life – Any Cause of Death

A policy written on this basis provides employers with a lump sum, payable on the death of a member before the end of the policy term.

This cover can be adapted to meet an employer's needs with the inclusion of additional types of cover such as Accidental Death Benefit and Total and Permanent Disability Benefit.

Further information on the various types of cover – and any exclusions that apply – follows on this page and on page 5.

Amount of Benefit

The employer determines the amount of benefit required for members within a defined group.

This can be either:

- a multiple of the member's salary – between one and five times annual salary, or
- a fixed percentage of the member's annual salary, or
- a fixed amount

The maximum sum assured per member is limited to five times their annual salary.

The amount of cover required is decided upon at policy set up and cannot be increased mid-term. Any increases or reductions in cover will be considered at renewal.

When a member leaves the employment of the policyholder, their cover will cease immediately.

Additional Protection

If a policy is set up under the Any Cause of Death option, employers can choose to include other types of protection benefits, for which an additional premium will be charged. The optional protection benefits available – and their definitions – are as follows:

Accidental Death Benefit

Definition: Accidental Death means death as a result of an accident caused by violent, visible and external means. Accidental drowning is also included.

This benefit is available as an additional multiple or percentage of salary on top of the basic group life level of benefit. The cover is subject to the same terms as the death benefit with which it is combined.

The maximum amount of Accidental Death Benefit is a multiple of two times the member's salary. This is payable in addition to the total death benefit.

In the event of a claim for Accidental Death Benefit, the benefit will be paid as a lump sum.

Exclusions

FPIL will not pay Accidental Death Benefit if a claim is directly or indirectly attributable to any of the following:

- alcohol, solvent or drug abuse by the member. This means the member's inappropriate use of alcohol, solvent or drugs, including but not limited to the following: consuming too much alcohol; taking an overdose of drugs, whether lawfully prescribed or otherwise
- bodily or mental infirmity, or illness or disease of any kind, or from medical treatment for this
- engaging in any form of motor-sport, mountaineering or rock climbing, potholing, horse-riding, parachuting or any form of aviation or aerial flight, except as a fare-paying passenger in a commercially licensed aircraft
- a member committing or attempting to commit suicide or intentional self-inflicted injury while sane or insane

Total & Permanent Disability Benefit

Definition: Total and Permanent Disability shall mean; that the Member is totally and permanently, throughout the remainder of their lifetime and irrespective of when the insurance cover ends or the Member retires from employment, because of physical illness or injury unable to perform or do any occupation or work that is of a remunerative value or earns or produces wages, remuneration or profit. FPIL will first assess the Member's Total and Permanent Disability after 180 days of continuous disability. The amount of benefit is equal to the death benefit.

In the event of a claim for Total and Permanent Disability Benefit, the benefit will be paid as a lump sum.

The cover is subject to the same terms as the death benefit with which it is combined.

Exclusions

FPIL will not pay Total and Permanent Disability Benefit if a claim is directly or indirectly attributable to any of the following:

- a member attempting to commit suicide or intentional self-inflicted injury while sane or insane
- mental or functional nervous disorders or any non-specific chronic viral infection or any chronic fatigue syndrome
- alcohol, solvent or drug abuse by the member. This means the member's inappropriate use of alcohol, solvent or drugs, including but not limited to the following: consuming too much alcohol; taking an overdose of drugs, whether lawfully prescribed or otherwise
- the Member carrying a human immunodeficiency type virus or antibodies to such a virus

Repatriation Benefit

Repatriation Benefit is automatically included to cover the cost of the preparation and transportation of a body for burial or cremation.

The maximum Repatriation Benefit is USD5,000, which will be added to the total death benefit payable.

Repatriation Benefit is paid out on death by accident or natural causes and will be paid as a lump sum upon receipt of satisfactory evidence of the cost of repatriation of the member's remains.

Travel and Residence

The Optus Group Protection policy will cover all members who are based in the United Arab Emirates, Bahrain, Kuwait, Oman and Qatar.

A maximum of 10% of the total sum assured can cover members based outside these countries at any one time; apart from the following excluded countries where no cover is available:

Afghanistan, Iraq, Iran, Burma, Haiti, Sudan, North Korea, Zimbabwe, Burundi, Chad, Cote d'Ivoire, Congo, Somalia and Palestine (West Bank and Gaza).

General Exclusions (apply to all Benefits)

- A Member's active participation in war (whether declared or not), civil war, insurrection, riot, terrorist act, mutiny, piracy, civil commotion or other acts of violence originating from any political or civil unrest.
- Any breach of criminal law by the Member or Policy owner.
- A Member's suicide or attempted suicide, whether sane or insane.
- Biological, chemical or nuclear explosion, pollution, contamination and/or fire following thereon, if any of these events occur in any of the following countries:
Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, UAE, Yemen.

Technical Guide – Underwriting

Free Cover Limit

Free Cover Limit refers to the amount of benefits we are able to provide for a particular policy, without the members being subject to individual underwriting.

The amount of benefit available will vary from policy-to-policy and will apply to all members, unless FPIL's underwriters decide otherwise – for example where a policy has few members but high average benefits.

Any member whose benefit exceeds the Free Cover Limit for their policy – and all prospective members aged 65 and above – will be subject to underwriting.

Individual Underwriting

Individual underwriting will be required for any prospective members whose level of benefit exceeds the Free Cover Limit for their policy. A minimum requirement for such members – and all lives aged over 65 – is the completion of a Statement of Health and Insurability declaration.

The Free Cover Limit does not apply to members aged 65 and above at policy inception.

A maximum of 10% of the total sum assured is available for members over the age of 65. For members aged over 65, only death cover is available, up to age 70 or the policy's maximum age limit if lower.

Actively at Work

All prospective members must fulfil FPIL's Actively at Work requirements, together with all the other eligibility criteria, before they can be covered under the policy.

If an employee is not Actively at Work on the day cover is to commence, or is a late entrant for any reason, the following requirements must be met for the employee to be considered for cover.

An employee must be Actively at Work, which means that they are carrying out their normal duties, for their full contracted hours for a normal day at their usual place of work – or at a location to which the business requires them to travel – and they have not received medical advice to refrain from work.

If the Actively at Work date falls on a day the employee is on a previously agreed absence, they will be regarded as if they were Actively at Work provided that they were capable of fulfilling the Actively at Work requirements on that date.

Those employees who do not fulfil the Actively at Work requirements will be individually underwritten. In the first instance a Statement of Health and Insurability will be required from each such employee. FPIL will decide any further requirements necessary, if cover can be offered and, if so, on what terms.

The Actively at Work requirements for new policies are based on the number of members as follows:

Number of Members	Actively at Work Requirement
5-19 Members	Cover will not be provided until the employee has been Actively at Work for 20 consecutive working days.
20-99 Members	Cover will not be provided until the employee has been Actively at Work for ten consecutive working days.
100+ Members	Cover will not be provided until the employee has been Actively at Work for one working day.

Technical Guide – Underwriting

Previously Insured Policies

When policies are moved to FPIL from another insurer acceptable to FPIL, the Actively at Work requirement is usually waived for existing members for the level of benefit covered by the previous insurer.

However, cover in respect of any individual who is not Actively at Work on the date cover is switched to FPIL, will only continue for any remaining temporary absence period provided by the previous insurer.

Members who exceed the previous insurer's underwriting limit do not need to be underwritten, providing the following requirements are met:

- the previous company initially accepted the risk on standard terms
- the total percentage increment during the previous year has not exceeded the annual inflation rate plus 10% and was in line with the rules of the policy (i.e. a regular salary increase)
- inflation plus salary increase does not exceed 10% of the insured benefit
- for salary-linked policies, the average salary increase for the whole policy does not exceed 10%
- the increase does not exceed a sum assured of USD2,000,000. This limit applies for death as well as for disability benefits
- the policy was originally underwritten within the last five years

Long Term Absentees

In all cases, regardless of whether FPIL has waived any Actively at Work requirements, full details of any employees who have been absent from work for three months or more at the time of preparing a quotation for the policy will be required.

Policies insured with Friends Provident International Limited

New members – and increases in benefits for existing members up to the Free Cover Limit – can be included when the Actively at Work conditions for the number of members as outlined on page 7 are satisfied.

Policy Commencement

The policy will go on risk for all the coverages applied for following acceptance of the policy by FPIL's underwriters, and receipt of the premium.

Where a policy includes individuals whose level of cover exceeds the Free Cover Limit, we will go on risk for the full amount until individual underwriting is complete, at which time – subject to satisfactory underwriting – the full cover will apply.

Temporary cover will apply for a period of 60 days from inception of the policy. If individual underwriting has not been completed within the 60-day period, cover will be limited to the Free Cover Limit, until the individual underwriting has been completed. The temporary cover will be limited to a maximum of USD300,000 above the policy's Free Cover Limit.

For any exclusions that may apply, please refer to the Optus Group Protection policy Terms and Conditions.

When individual underwriting is complete – and any additional premiums are paid – we will accept the risk up to the full cover required, or the maximum cover as determined by the underwriters. When individual underwriting is complete for Members whose cover was limited to USD300,000 over the Free Cover Limit, the full amount of benefit required, or the maximum cover as determined by the underwriters, will apply.

Actively at Work criteria will apply.

Ceasing Age

The policyholder will decide on the policy ceasing age at commencement of the policy. This is the age beyond which cover will no longer apply. The maximum ceasing age is 70, or state retirement age if earlier. The ceasing age for Accidental Death Benefit and Total and Permanent Disability is 65, or statutory retirement age if earlier. Life cover can continue after age 65, subject to the policy's ceasing age. In no circumstances can the ceasing age for Total and Permanent Disability Benefit be later than the ceasing age for the Death Benefit.

Payment of Claims

When FPIL has received satisfactory evidence of a claim for the benefits, and the claim is admitted, the benefit will be paid as a lump sum to the policyholder, to distribute accordingly.

Policy Cancellation

As the Optus Group Protection policy is annually renewable, policies cannot be discontinued until the renewal date. Cover will continue between policy anniversaries for as long as premiums are paid.

For FPIL's rights of cancellation, please refer to the Optus Group Protection policy Terms and Conditions.

Trusts

Optus Group Protection policies can be written in trust to protect the benefits of the policy.

The policy can be issued either to the employer or to the trustees (if applicable).

The application process allows for the establishment of a trust at the same time as the policy is set up.

Employers can use an existing trust, create a new trust or simply hold the policy as an asset of the company.

A third party trustee may impose charges for their services.



Important Information

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The information given in this document is based on Friends Provident International Limited's understanding of current Isle of Man law and taxation practice, which may change in the future.

No liability can be accepted for any personal tax consequences of this policy or for the effect of future tax or legislative changes.

All policyholders will receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991 of the Isle of Man, wherever their place of residence.

Some telephone communications with the Company are recorded and may be randomly monitored or intruded upon.

Important Notice for Residents of the United Arab Emirates

If you effect a policy whilst resident in the United Arab Emirates (UAE), all disputes regarding the policy will be subject to the jurisdiction of the UAE courts whilst you remain resident in the UAE.

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Incorporated company limited by shares

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Authorised by the Isle of Man Insurance & Pensions Authority and regulated by the Financial Services Authority for the conduct of investment business in the UK

Provider of life assurance and investment products

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Authorised by the UAE Insurance Authority, United Arab Emirates, to conduct life insurance and savings business

