

UCC Supplementary Life Assurance Scheme Member's Booklet



Introduction

University College Cork (UCC) has established the UCC Supplementary Life Assurance Scheme (the Scheme) for its employees to ease financial burdens at a difficult time. The Scheme provides an important extra life assurance benefit for your dependants in the unfortunate event of your untimely death.

This explanatory booklet provides a brief outline of the main benefits for eligible employees of UCC as of January 2018. Benefits are subject to the provisions of the Scheme's Trust Deed, Rules and the policy conditions (the Scheme Documents) and this booklet does not create or confer any legal rights.

In the event of a dispute, the terms and conditions of the Scheme, as set out in the Scheme Documents, will be used to determine the outcome.

If there is any conflict between this booklet and the Scheme Documents, the Scheme Documents will prevail.

The information contained in this booklet is based upon our current understanding of Revenue law and practice as at January 2018.

If you have any queries about your membership of the Scheme or require a copy of the Scheme Documents please contact Willis Towers Watson.

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Constitution of the Scheme

The Scheme commenced on 1st January, 1987, and is established under trust with formal Rules.

The Scheme, which is a Defined Benefit Scheme for the purposes of the Pensions Act 1990, as amended, has been approved as an exempt approved scheme under Chapter 1 of Part 30 of the Taxes Consolidation Act, 1997 and is established under trust with formal Rules.

New Ireland Assurance Company plc (New Ireland) whose registered office is at 11/12 Dawson Street, Dublin 2 has been appointed to act as a Registered Administrator for the Scheme.

Willis Towers Watson whose registered office is at Grand Mill Quay, Barrow Street, Dublin 4 has been appointed as Trustee of the Scheme in order to look after your interests as a member.



Eligibility

Who is eligible to join the Scheme?

All employees of the UCC under age 65 are eligible to join the Scheme. Membership of the Scheme is voluntary.

How do I join the Scheme?

You can apply to join the Scheme at any time by completing the relevant sections of the Application Form and submitting it to the Human Resources Department, UCC.

If you are under age 55 and join the Scheme within two months of joining UCC you are exempt from completing section 3 of the Application Form.

When does my cover begin?

Your cover will commence on receipt of a written acceptance letter from New Ireland confirming that you have been included as a member of the Scheme.

In some cases medical evidence may be required before cover of the Scheme can be confirmed. This may involve attending for a medical examination at New Ireland's expense.

When does my cover end?

Cover ends:

- on your 65th birthday,
- if you leave the employment of UCC, or
- if your contributions to the Scheme cease,

whichever is earlier.

Are all applications accepted?

In a small percentage of cases applications to join the Scheme may be refused. In such cases applicants will receive a letter confirming that they have not been accepted into the Scheme. If such a situation arises, your doctor may write to New Ireland's Chief Medical Officer requesting the reason for the refusal.

If you are under age 55 and join the Scheme within two months of joining UCC you are exempt from completing section 3 of the Application Form.

Benefits

What is the benefit?

The level of cover provided under this Scheme is twice your salary as defined in the policy conditions. This benefit is salary linked so it can rise each year in line with your salary. Also it is in addition to any other employee benefits to which your dependants may be entitled.

The benefits are funded and held under an insurance policy administered by New Ireland.

On what salary is my benefit based?

Your basic annual salary plus any other payments which are taken into account for sick pay and superannuation purposes as at the last deduction date.

In the event of you being out of work due to illness or injury, your benefit will be based on the salary you were earning at the time you became disabled.

Who would receive the benefit?

In the event of your death prior to retirement, the lump sum cash death benefit will be payable by the Trustees of the Scheme, at their discretion, to your Spouseⁱ/Civil Partnerⁱⁱ and/or Dependant(s)ⁱⁱⁱ or estate.

You may, however, wish to assist the Trustee in exercising its discretion by indicating the person(s) to whom you would wish the lump sum to be paid. The attached Letter of Wishes can be used for this purpose.

Please note the maximum death benefit that can be paid in lump sum cash form from this Scheme and the main Superannuation Scheme, is four times your salary at the date of your death together with the value of your personal Superannuation Scheme contributions.

Any balance of death benefits that cannot be paid as a lump sum will be applied to provide a pension for your surviving Spouse/Civil Partner and/or Dependents, subject to certain restrictions.

If the lump sum cash death benefit is paid to your Spouse/Civil Partner, he/she will currently receive it free of personal taxation. Other beneficiaries may be liable to Capital Acquisitions Tax on the amount they receive.

ⁱ In respect of a Member, the person to whom he/she was legally married at his/her date of death.

ⁱⁱ In respect of a Member, has the meaning ascribed to it by Section 3 of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010 and means the person with whom he was in a registered civil partnership at his date of death.

ⁱⁱⁱ Dependant means the Member's Spouse or Civil Partner or Child or any other person, who, in the opinion of the Trustee, is wholly or substantially dependent upon the Member for the ordinary necessities of life, or was so dependent during the two years immediately preceding the date of death.

Cost

How much does it cost?

The contribution rate is negotiated on a special “group basis” for employees of UCC. The contribution rate is currently set at just 0.33% of your basic annual salary plus any other payments which are taken into account for sick pay and superannuation purposes as at the last deduction date and is conveniently deducted from your salary by your employer.

This rate is fixed for 3 years, from 1 January 2018 and is applicable to all Scheme members.

The rate will be reviewed by New Ireland on 1 January 2021 based on membership profile, membership take up and claims experience.

Is there tax relief?

You are eligible to claim for tax relief at your marginal rate of tax on your contributions to the Scheme.

Your contributions to the Scheme are deducted from your gross pay before income tax is applied so that your taxable pay is reduced by the amount of your total contributions. It means that income tax relief is given automatically at source. Consequently there is no need for you to contact your local Inspector of Taxes to arrange for income tax relief.

Depending on your age, your total contributions to the Scheme plus your contributions to your main Superannuation Scheme (and any AVCs you are making) may not exceed a certain percentage of your total pay in any one year as set out in the table below. The percentage relief limits are age related:

Age	Percentage of Relevant Earnings
Under 30	15%
30 - 39	20%
40 - 49	25%
50 - 54	30%
55 - 59	35%
60 or over	40%

It should be noted that in certain circumstances, to comply with Revenue requirements, your contributions may have to be restricted. You will be notified if this is the case. An Earnings Cap applies to your contributions for tax relief purposes (€115,000 for 2018).

The contribution rate is currently set at just 0.33% of your basic annual salary plus any other payments which are taken into account for sick pay and superannuation purposes

Cost

The following examples illustrate the cost for members at the fixed rate for the first 3 years on various salary levels based on tax rates applicable as at January 2018, which are subject to change:

Salary	€30,000.00	€40,000.00	€60,000.00
Benefit	€60,000.00	€80,000.00	€120,000.00
Gross monthly premium	€8.25	€11.00	€16.50
Assumed Tax rate	20%	40%	40%
Tax Relief Amount	€1.65	€4.40	€6.60
Net Monthly Premium	€6.60	€6.60	€9.90



Scenarios covered under the policy

What if I travel abroad?

You are covered while travelling or living anywhere in the world as long as you remain an eligible member.

What if I take a leave of absence including career break, secondment or sabbatical?

If you take a leave of absence, your cover under the Scheme will automatically cease from the earlier of:

- (i) the date of commencement of a leave of absence, or
- (ii) the date when your salary ceases and your premiums to the Scheme cease.

You must complete a full medical application form and undergo medical underwriting should you wish to rejoin the Scheme upon returning to work.

However, it is important to note you can apply to:

- a) maintain cover during your leave of absence for a maximum period of 12 months, or
- b) cease cover under the Scheme during your leave of absence but avoid medical underwriting on return to the Scheme after a leave of absence for a maximum period of 12 months.

a) Maintain Cover (for up to 12 months)

This option is suitable for employees who wish to continue their full cover under the Scheme during their leave of absence.

You may apply, no later than 2 months prior to the commencement of your leave of absence, to maintain cover under the Scheme for a period of up to 12 months.

New Ireland can, at its own discretion, agree or refuse to maintain cover during you leave of absence.

If New Ireland agree to maintain cover, your pre-leave of absence salary as at the date of last deduction will determine the rate and amount of your contribution and benefit level. The full premium due for the period of your leave of absence (up to max of 12 months) must be paid in advance of your leave of absence.

You are covered while travelling or living anywhere in the world as long as you remain an eligible member.

Scenarios covered under the policy

You must immediately notify Willis Towers Watson of your return to your normal job, after your leave of absence (of max 12 months). The level of cover applying when you take up your employment again may be higher or lower than what you enjoyed while on your leave of absence.

If you do not notify Willis Towers Watson of your return to work then you are no longer covered and on return from a leave of absence you will be required to complete a new application form and will be subject to full underwriting if you wish to rejoin the Scheme.

If you maintained cover for a leave of absence and if your leave of absence is longer than 12 months your cover under the Scheme will cease automatically 12 months from the date your leave of absence commenced.

The Waiver of Underwriting option allows employees to reactivate their cover without medical underwriting

b) Waiver of Underwriting

This option is suitable for employees who do not wish to continue their cover but who wish to re-activate their cover on returning from their leave of absence without having to undergo medical underwriting.

Provided your leave of absence is no longer than 12 months, you may apply, no later than 2 months prior to the commencement of your leave of absence, for immunity from medical underwriting. This will allow you to re-activate your cover under the Scheme before a specified date when your leave of absence is over without the need for medical underwriting.

If you wish to re-activate your cover under the Scheme, you must immediately notify Willis Towers Watson on return to your normal job. The level of cover applying when you take up your employment again may be higher or lower than what you enjoyed before your leave of absence.

If, when you return to work after your leave of absence, you do not immediately notify Willis Towers Watson of your wish to re-activate your cover and you subsequently apply to be covered under the Scheme you will be subject to full underwriting.

The waiver of medical underwriting is for a maximum period of 12 months from the date of commencement of a leave of absence. If your leave of absence is longer than 12 months your waiver of medical underwriting will cease.

What if I leave UCC?

In such circumstances you are no longer eligible for membership of the Scheme. Willis Towers Watson may, depending on your circumstances, be able to offer you an individual policy providing similar cover.

Scenarios covered under the policy

What if I change my terms of employment?

If your terms of employment change, this may affect your cover under the Scheme. For instance if you reduce the overall number of hours you are working each week, your benefits under the Scheme may be affected. It is important therefore that you notify Willis Towers Watson in writing should you change your terms of employment.

What if I take unpaid Parental, Maternity, Adoptive, Carer's or other statutory leave?

If you avail of your entitlement to take unpaid parental, maternity, adoptive, carer's or other statutory leave for a period no longer than 18 weeks in total in any 12 month period no contributions will be collected in respect of periods for which you are on leave as you will not be paid a salary while on leave. Nonetheless your cover will continue unaffected while you are on leave of this nature and no repayment of the "skipped" contributions will be sought.

Where the period of leave is more than 18 weeks in total in any 12 month period, employees should contact Willis Towers Watson for details of their options. These will be similar to those available to employees who take a career break.

Where the period of leave is within 18 weeks no premium is collected



Scenarios covered under the policy

The automatic updating of your contributions and cover avoids the necessity to complete new application forms, attend for medicals etc.

What if my salary increases?

One of the great advantages of the Scheme is that it allows for your cover to be increased in line with your salary, i.e. your cover will increase at the same time as your salary. This means that the cover you enjoy under the Scheme remains realistic over the years ahead.

The automatic updating of your contributions and cover avoids the necessity to complete new application forms, attend for medicals etc.

Please note however, that in the event that you are out of work due to illness or injury, your benefit will be based on the salary you were earning at the time you became disabled.

What if I never claim under the Scheme?

As with health or car insurance, your contributions go to meet the cost of your cover. This keeps the cost of cover to the minimum and means that there is no cash value paid out to those who never make a claim under the Scheme.

What if my contributions cease?

Responsibility for contributions to the Scheme rests with the individual member.

If contributions to the Scheme cease then you cease to be a member of the Scheme and no longer qualify for any benefit.

In the event of you being out of work due to illness or injury and a claim for disability benefit is being paid to you, your contribution to the Scheme will be waived until you are deemed fit to return to work.

What if I want to cease to be a member of the Scheme?

Membership of the Scheme may be cancelled at any time by notifying the Human Resources Department, UCC in writing and asking them to stop your deduction at source.

What if I have second thoughts?

If, when you receive confirmation of acceptance of risk by New Ireland, you feel that it is not suitable for your needs then you may cancel your membership of the Scheme by instructing us in writing. Your membership of the Scheme will terminate immediately on receipt of this instruction by us.

If it is received not later than 30 days after the date of issue of the confirmation of acceptance of risk then any regular contributions remitted to New Ireland will be refunded in full.

Can the Scheme be amended?

Benefit levels and the rate of contributions under the Scheme are reviewed on a regular basis. The next review of the Scheme is on 1 January 2021.

Scenarios covered under the policy

These reviews are designed to provide UCC with an opportunity to canvass the market to ensure that the best deal is being provided for employees. Likewise the reviews provide New Ireland with an opportunity to adjust the benefit levels and/or the rate of contribution in the light of relevant factors such as membership level, age profile and the claims experience of the Scheme.

At such reviews, New Ireland and UCC reserve the right to increase or reduce the rate of contribution and vary the benefit levels under the Scheme for all employees. UCC has the power under the Trust Deed with the agreement of the Trustee to change or discontinue the Scheme.

What if I get separated and/or divorced?

If you are a married member or in a registered civil partnership, in the event of judicial separation or divorce, a court application for a pension adjustment order in respect of your life assurance benefits may be made, usually by your spouse/civil partner. Further information about pension adjustment orders may be obtained from the Pensions Authority.

What should I do if I am not happy?

If you have a complaint about the Scheme, you should follow the procedures set out in the Scheme's Internal Dispute Resolution Procedures. A copy of these procedures is available from the Trustee, on request.

You can contact the Trustee of the Scheme directly or via the Authorised Advisor at the address provided over. The Trustee will try to resolve your complaint to your satisfaction, subject to legislation and the Scheme's Trust Deed and Rules. If the complaint is not resolved to your satisfaction you can refer it to the Pensions Ombudsman. Details of the service provided by the Pensions Ombudsman may be obtained from www.pensionsombudsman.ie.

The Pensions Ombudsman may be contacted at:

36 Upper Mount Street
Dublin 2.

Telephone (01) 6471650.

Contact Details

Who should I contact if I require further information?

If you have any queries about the Plan or your benefits you can contact your Authorised Advisor or Product Provider and their contact details are as follows:

Authorised Advisor:

Willis Towers Watson Limited,
5 Lapps Quay,
Cork

Telephone: (021) 427 7505
www.willistowerswatson.com

Willis Human Capital & Benefits Ireland Limited t/a Willis HC&B Ireland & Willis Private Wealth Management is regulated by the Central Bank of Ireland and is a subsidiary of Willis Towers Watson PLC.

Product Provider:

New Ireland Assurance Company plc
11-12 Dawson Street
Dublin 2.

T: (01) 617 2000
F: (01) 617 2075.
E: info@newireland.ie
www.newireland.ie

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