

# Group Life Assurance

## What is Group Life Assurance?

Group Life Assurance (also known as death in service) pays out a lump sum to a named beneficiary upon death.

### How much is the benefit?

The lump sum is usually based on a multiple of an employee's salary, for example two, three, or four times basic annual salary however can also include dividends if applicable.

### When is the benefit payable?

The benefit is payable upon death of the individual. The monies are paid by the insurer to the trustees to pass onto the employee's nominated beneficiary(ies)

### Medical Underwriting

Group Life Assurance benefits from a free cover limit. This is the amount of cover an employee can obtain without the requirement for medical underwriting and therefore medical underwriting is not typically required.

### Tax treatment of benefit

As the policy is written under trust, the lump sum benefit for employees should fall outside of the deceased's estate and therefore is usually not subject to Inheritance Tax. Group life Assurance cover is not currently a P11D benefit.

### Benefit for employees

- Access to a wide range of wellbeing services
- Access to free Digital GP services
- Financial support for beneficiaries
- No medical underwriting in most cases
- Bereavement and probate support
- Provides peace of mind for employees and their families

### Benefit for employers

- Insurers can provide HR support
- MI available from EAP services
- Enhances the business' Employee Benefits package and can assist in recruiting and retaining staff

### Employee Assistance Programme

The majority of the providers in the market provide an Employee Assistance Programme to support staff members with everyday advice relating to challenges they may face as a result of their diagnosis/treatment.

## Contact Information

Should you have any queries regarding Group Life Assurance or any other Employee Benefits then please do not hesitate to contact us at [EBenquiries@thecleargroup.com](mailto:EBenquiries@thecleargroup.com)

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