

UK – Excepted Group Life

Excepted Benefits

Generali offers an Excepted Group Life Policy (EGLP) to allow for the provision of tax-free benefits in excess of the lifetime allowance. We will usually insure benefits under an Excepted Group Life Policy (EGLP) where we are also insuring an Associated Registered Policy.

The Generali UK EGLP is designed to provide Relevant Life Assurance Benefits in accordance with section 480 of the Income Tax (Trading and Other Income) Act 2005. This means that policies with two or more members must meet conditions 1 to 6 below, whilst policies with fewer than two members must meet conditions 1, 3, 4 and 6.

- 1) The policy must only pay a capital sum on the members death, no other benefits may be payable and the cover must end before the members 75th birthday.
- 2) The same method must be used when calculating the payments of any lump-sum benefits and any limitations arising on each death.
- 3) The Policy must have no cash-in or surrender value other than a refund of “unused” premiums.
- 4) The benefits can only be paid to an individual, charity or a trustee for the ultimate benefit of an individual.
- 5) No Member, or any individual connected to a member, may directly or indirectly receive Death Benefits on the death of another member solely because they are also member.
- 6) The final condition that needs to be met is that tax avoidance is not the main purpose, or a main purpose, for any of the holders of the policy or any of the persons beneficially entitled under the policy.

Benefit Basis

The benefit basis should mirror that of the Associated Registered Policy, where applicable. The EGLP can only provide lump-sum death benefits; this could include the lump-sum equivalent of any dependants' pensions. All benefits will be paid out as a lump-sum payment.

Premium Rate

The premiums will be calculated using the same premium rate as any Associated Registered Policy where applicable.

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Fiscal Treatment*

Contributions

- The employer's contributions are normally deductible against Corporation Tax as a business expense
- The employee is not taxed on the premiums paid for the benefit.

Benefits

To ensure that the benefits are usually paid tax-free the policy must be written under discretionary trust. The underlying discretionary trust may be subject to periodic and exit tax charges.

Mobile Employees & Secondees

Our list of countries with no restriction on cover includes the full EU membership together with members of the European Free Trade Association. In addition, countries where Generali is present are typically included. Other countries can be agreed upon request.

Mobile employees and secondees who remain on UK contracts of employment can remain covered under a UK Policy with little or no restriction.

Generali UK continues to offer unlimited travel cover, subject to the Catastrophe Limit for groups of members travelling together.

Free Cover Limit and Medical Underwriting

Generali will apply a common Free Cover Limit across any death in service Policies. Once Only medical underwriting is available for Policies with 20 or more employees.

When Policies switch to Generali the maximum capitalised benefit accepted on 'no-worse-terms' basis is £5m GBP.

Bereavement & Probate Helpline

Generali UK EGLP members have access to a free Bereavement & Probate Helpline provided in partnership with Optum. For further details, please see our Bereavement Counselling and Probate leaflet.

International

Our UK Death in Service products are eligible for inclusion under a Multinational Pooling plan with the Generali network, subject to entry requirements.

**This information is based on our understanding of legislation and HM Revenue & Customs practice at the date of printing. Professional advice on taxation should always be sought.*