

B&CE's Life Cover Fact Sheet



Introduction

Through B&CE's employee benefits package your employer has funded and provided free life cover for you. It is there to support your financial dependants should the worse happen. If you have financial dependants it is important that they read this fact sheet and understand the conditions under which B&CE would pay them, should they ever need to make claim.

Who qualifies for life cover?

All employees aged 16 and over.

For employees aged 65 or over, life cover will not be payable where death was preceded by a period of continuous incapacity.

How is cover provided?

Cover is provided by means of a weekly or monthly payment made by the employer.

How much benefit would be paid following death in employment?

If you die for any reason the maximum amount payable is up to £23,000.

For accidental death occurring at work or whilst travelling to and from work, the maximum amount payable is £46,000* for all ages (*doesn't apply to Isle of Man residents).

Please also note that the maximum cover only applies once you have completed 40 weeks of service in the scheme prior to the date of your death.

Are these amounts guaranteed?

Payment of all claims is discretionary and not guaranteed. Claims for payment of B&CE's life cover are subject to the rules of the Scheme and the Trust Deed.

How does length of service affect the amount of benefit paid?

In order for the full amount of life cover to be paid out, you must have been a member of the scheme for 40 weeks or more, (i.e. we must receive contributions from your employer for 40 weeks) with each week in the scheme classed as 'reckonable employment'. Up until that time, you will qualify for a percentage of the cover as follows:

Membership of scheme	% of total payment	Amount
0-3 weeks	0%	£0
4-9 weeks	25%	£5,500
10-19 weeks	50%	£11,000
20-39 weeks	75%	£16,500
40 weeks	100%	£23,000

Who is life cover paid to?

Payments are made to financial dependants. B&CE's trustees have discretion to pay the life cover benefit to the person most likely to suffer financially as a result of your death.

Payments do not form part of the deceased's estate.

In the case of your financial dependant being in need of protection, such as a child or someone suffering from a mental disorder, the trustees would normally instruct the benefit to be held in trust for the benefit of that person.

How are payments made?

Payments are tax free and are paid by cheque.

What other factors affect the amount of benefits paid?

- Death during illness from work – If the employee dies at the end of a period of continuous incapacity from work (not exceeding 12 months) a claim can be made. If the illness exceeded 12 months, payment of benefit is at the discretion of the trustees. Medical evidence will be required to confirm periods of incapacity.
- For workers aged 65 or over, life cover will not be payable where death was preceded by a period of continuous incapacity.
- Death while unemployed – If an employer terminates employment, life cover continues for the next 4 weeks of certified unemployment. Exceeding this, payment of benefits is at the trustees' discretion. If the employee leaves employment voluntarily or is dismissed for any reason, the trustees may still consider a claim for benefit.
- Death during retirement – If an operative retires under the age of 65 any benefit that may be due to your dependants will be reduced by the amount of any Retirement Benefit which has already been paid.
- Death in other circumstances – If an operative accrued more than 80 weeks of service but there is no entitlement to benefit (e.g. the employee left the construction industry) a benefit may still be claimed

by the dependants. The amount paid will be based on the number of weeks of service multiplied by a benefit rate (currently £7.55 per week of service). A reduction factor may be applied, based on the deceased's age. If the operative accrued less than 80 weeks of service, the Trustees may still consider a claim for benefit.

How to make a claim

Contact B&CE by phone or email when enquiring about a life cover claim. B&CE handles all contact with sensitivity and there are some simple steps to take when making a claim.

- The person claiming needs to request a claim form within one year of death occurring.
- Medical evidence may be required and the employer may be asked to verify details.
- A board of trustees is responsible for considering life cover claims. Claims are dealt with by the trustees who determine the level of financial dependency at the time of death, allowing them greater flexibility when making payments to your financial dependants. B&CE's trustees endeavour to pay out quickly to help ease any financial burden.

Other important points to note

- Life cover is dependent on your employer continuing to be a member of B&CE's employee benefits and contributing on your behalf.
- Maximum life cover amounts can change from time to time. Please contact us for details of current maximum amounts payable.
- The information in this document is for guidance only. Claims for payment of life cover are subject the rules of the Scheme and the Trust Deed.
- Payment of claims is discretionary and not guaranteed. Payment is only made where there is evidence of financial dependency on the person covered.
- **Different rules apply to the Isle of Man. Fact sheets available on request.**



B&CE Benefit Schemes

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To help improve our service, we may record your call