

GROUP INCOME PROTECTION

How it Works Product Guide Running the Policy

Guide to making changes to a Policy

Important information

If a change is required to the Policy, we should be:

- contacted in advance, in writing, of the change required
- provided with clear details of the change in writing

We will not backdate any amendments to the Policy.

Provided we have received a written request prior to the date the change is required, we will normally make the changes from that date, if the change is acceptable to us.

Please note that there are circumstances where we may amend the terms of the Policy. See document **How is the cost calculated** for further information.

Terminology used

Evidence of Insurability

Any documentary or medical evidence that we may reasonably require to include someone for benefits in the Policy.

Actively at Work

Means an employee:

- is present at their place of work
- has not received any medical advice to refrain from work
- is mentally and physically capable of fully performing the normal regular duties associated with the job they are engaged to do
- is working their normal contracted number of hours, either at their normal place of business or at a place that the business requires

Membership data

This means full details of the individuals to be insured i.e. gender, date of birth, salary, occupation, category of cover, postcode of normal place of work.

See **What is needed to provide a quote?** for further information.

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Canada Life
Group Insurance

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Types of changes

Our classification

We currently classify the type of changes as follows:

- administration
- Policy
- Policy re-writes and hive off Policies
- risk amendment

Administration changes

Our liabilities do not change however, the cost involved in providing cover may alter. Examples are changing the:

- annual revision date
- method of paying premiums
- premium payment frequency
- level of commission paid

Appendix 1 gives more detail about this type of change.

Policy changes

Our liabilities and the cost involved in providing cover are not expected to change. Examples are:

- the policyholder/principal employer changes name or registered address
- any of the companies insured change name or registered address

Appendix 2 gives more detail about this type of change.

Policy re-writes and hive off Policies

The insurance is currently provided through an existing Canada Life Policy but a new, replacement or additional Policy is required. Reasons why we may need to set up another Policy are as follows:

- an additional Policy is required in order for us to provide separate accounts
- a different organisation replaces an existing policyholder/principal employer
- a change in a **Change of Policyholder form** cannot be completed. This is commonly known as a re-write
- the existing Policy is to be split into multiple Policies. This could happen for a number of different reasons

Appendix 3 gives more detail about this type of change.

Risk amendment

Our liabilities may change immediately or at some point in the future. These changes can have cost implications but will be advised as part of our confirmation process. Examples are:

- changes to the level of benefit insured, including pension scheme and National Insurance contributions, or amending the definition of earnings used in the calculation of the benefit
- adding, amending or removing lump sum payments
- amending the deferred period, claim payment period, definition of incapacity or escalation on the benefits in payment
- adding or removing groups of employees (including TUPE transfers, companies or organisations) to or from the Policy
- the postcode of any company's or individual's normal place of work changes
- changing the minimum, maximum entry age or minimum service requirement for cover to commence
- changing the age on which cover ceases

Appendix 4 gives more detail about this type of change.

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What we do when asked to make changes to a Policy

Assessment process

We will consider:

- whether we understand the change requested
- are we legally able to make the change?
- do we want to allow the change?
- what are the immediate risks?
- what is the impact on the cost?

Understanding the change requested

We need to fully understand the change being requested before we can move on to the next stage of our process.

We will seek further information if required to gain this understanding. Once fully understood, we will look to categorise the change.

Are we legally able to make the change?

Current legislation will always be considered to ensure our Policy remains compliant.

Do we want to allow the change?

We will assess the requested change to decide whether it fits within our current risk strategies and limits. If the request falls outside of these, we will assess whether this can be extended in order to accommodate the change.

What are the immediate risks?

Our concern is whether we are being asked to change the Policy because it is known by the policyholder that a claim is likely to occur in the near future.

We review the additional exposure in order to determine how any immediate risks can be reduced or eliminated. For many changes, this is achieved through requesting evidence of insurability (see page 1) appropriate to that change.

The determining factors involved in the evidence of insurability (see page 1) requested are the number of individuals affected by the requested change and the additional risk to us.

Evidence of insurability (see page 1) which may be requested, but not limited to:

- medical underwriting
- satisfying our actively at work (see page 1) conditions (these conditions may vary)

What is the impact on the cost of cover?

The change requested may have an effect on the probability of a claim occurring or the expected level of claim payment.

It may be necessary to review the premium rates being charged on the Policy to understand whether the current premiums are sufficient to provide the amended cover.



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What we do when asked to make changes to a Policy (continued)

Confirming risk

Once we have completed our assessment we will confirm whether we are willing to amend the Policy as requested. If we make the change we will confirm in writing:

- the date we will amend the Policy
- any requirements we have and any other actions we need to carry out
- possible impacts on Policy terms and conditions
- what documentation and/or literature will be updated/issued

Date we will amend the Policy

Provided the change is acceptable to us and we receive the written request prior to the date the amendments is required, we will normally make the alteration from that date.

Requirements to make the change and any other actions we need to carry out

This may include:

- evidence of insurability (see page 1) required, including any forms which need to be completed
- information about those insured. This could amount to full data so that rates can be reviewed, or the benefits insured for accounting purposes. See **What is needed to provide a quote?** for further information
- additional deposit premiums required in order to implement the change

Impact on Policy terms and conditions

We will confirm the terms and conditions which may be introduced or altered as a result of the change.

If these updated terms cannot be provided immediately we will confirm what documentation/literature will need to be updated, e.g. Policy Particulars and Policy Conditions.

Contact us



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Our forms are available to download from our website: www.canadalife.co.uk/group

Canada Life Limited, registered in England no. 973271. Registered Office: Canada Life Place, Potters Bar, Hertfordshire EN6 5BA. CLFIS (UK) Limited, registered in England no. 04356028 is an associate company of Canada Life Limited. Registered Office: Canada Life Place, Potters Bar, Hertfordshire EN6 5BA. Canada Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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Appendix 1 – Administration changes

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Amend annual revision date	Written request	<ul style="list-style-type: none"> • Additional deposit premium • Evidence of insurability (see page 1) if increases in benefit occur because salary changes are only allowed on the Policy at the annual revision date • Up to date membership data (see page 1) so accounts can be issued 	X	✓	✓	<p>Amending accounts will be dependent on the revised annual renewal date and the period of the last account issued.</p> <p>Rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p>
Amend method of paying premiums	Written request	<ul style="list-style-type: none"> • Completion of Direct Debit Mandate if this is the method to be used • Up to date membership data (see page 1) so accounts can be issued 	✓	✓	✓	<p>Premiums may increase or decrease and rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>If the change is made on the annual revision date, membership data will be required as standard.</p>
Amend frequency of paying premiums	Written request	<ul style="list-style-type: none"> • Additional deposit premium or completion of Direct Debit Mandate • Up to date membership data (see page 1) so accounts can be issued 	✓	✓	✓	<p>Premiums may increase or decrease and rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>If the change is made on the annual revision date, membership data will be required as standard.</p>
Amend level of commission payable	Written request	<ul style="list-style-type: none"> • Additional deposit premium • Up to date membership data (see page 1) so accounts can be issued 	✓	✓	Unit rated costed Policies only	<p>Premiums may increase or decrease and rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>If the change is made on the annual revision date, membership data will be required as standard.</p>

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Appendix 2 – Policy changes

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Change in name or registered address of the policyholder/principal employer.	<ul style="list-style-type: none"> Written confirmation of the change which has taken place Companies House number, if appropriate Confirmation of whether the change will affect the normal place of work of those insured 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	Premium rates may need to be reviewed if anyone's normal place of work (postcode) alters as a result of the change.
Change in name or registered address of any other company or organisation insured	<ul style="list-style-type: none"> Written confirmation of the companies/ organisations involved Companies House number, if appropriate Confirmation of whether the change will affect the normal place of work of those insured 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	Premium rates may need to be reviewed if anyone's normal place of work (postcode) alters as a result of the change.

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Appendix 3 – Policy re-writes and hive off Policies

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Additional accounting Policy	<ul style="list-style-type: none"> Written confirmation of the companies who require separate accounts Up to date membership data (see page 1) split between the companies who require separate accounts 	None	✗	✓	✗	<p>Rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>Membership data will always need to be split if separate accounts are required.</p>
A different organisation replaces the existing policyholder/principal employer	<ul style="list-style-type: none"> Written confirmation of what has or is expected to take place Completed Change of Policyholder form 	<ul style="list-style-type: none"> We will seek confirmation that no other changes are required; e.g. inclusion of new groups, benefits changes. Any further requirements will be based on any changes 	Possibly	✓	✓	<p>The Change of Policyholder form has been designed to make this change easier for all parties involved. However, if this form cannot be completed a new Policy has to be set up.</p> <p>If the benefits or the individuals insured change, there may be an impact on the premium rates and cost.</p>
Circumstances dictate that a Change of Policyholder form cannot be completed	<ul style="list-style-type: none"> Written confirmation of the exact situation Completed Proposal form 	<ul style="list-style-type: none"> As a new Policy has to be established we will seek confirmation that no other changes are required; e.g. inclusion of new groups, benefits changes. Any further requirements will be based on any changes 	Possibly	✓	✓	<p>If the benefits or the individuals insured change, there may be an impact on the premium rates and cost.</p>
The existing Policy is to be split into multiple Policies	<ul style="list-style-type: none"> Written confirmation of the exact situation How it will affect the existing Policy insured by us Details of who and what benefits are to be insured under the new Policy Completed Proposal form in respect of the new Policy 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover Up to date membership data (see page 1) so that accounts can be issued 	Possibly	✓	✓	<p>If the benefits or the individuals insured change, there may be an impact on the premium rates as well as the cost.</p>

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Appendix 4 – Risk amendments

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Change the level of benefit insured including pensions scheme and/or National Insurance contributions	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – whose benefits are to be amended – the new level of benefit to be insured 	<ul style="list-style-type: none"> Evidence of insurability (see page 1), if the change results in an individual's benefits increasing Up to date membership data (see page 1) 	Premium rates may not change, however the overall cost will change	✓	✓	<p>We do not impose any evidence of insurability requirements if the change reduces the benefits insured.</p> <p>Premium rates may need to be reviewed if the total benefits insured change by more than 25%.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal.</p>
Change the definition of earnings considered in the calculation of an individual's benefit	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – the additional earnings considered – whose earnings are to be amended 	<ul style="list-style-type: none"> Evidence of insurability (see page 1), if the change results in an individual's benefits increasing Up to date membership data (see page 1) 	Premium rates may not change, however the overall cost will change	✓	✓	<p>We do not impose any evidence of insurability requirements if the change reduces the benefits insured.</p> <p>Premium rates may need to be reviewed if the total benefits insured change by more than 25%.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal.</p>

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Add, amend or remove a lump sum benefit	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – if a lump is to be insured, we need to know who will be entitled to the benefit and the cover required – the new level of benefit to be insured, if the cover is to be amended Up to date membership data (see page 1) as premium rates will need to be reviewed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1), if the change enhances the Policy Conditions 	✓	✓	✓	We do not impose any evidence of insurability requirements if the changes reduce the benefits insured.
Amend the deferred period, claim payment period, definition of incapacity or escalation on the benefits in payment	<ul style="list-style-type: none"> Written request confirming the amendment required Up to date membership data (see page 1) as premium rates will need to be reviewed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1), if the change enhances the Policy Conditions 	✓	✓	✓	We do not impose any evidence of insurability requirements if the Policy Conditions are not enhanced.

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Add a company or organisation	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the name of the company or organisation including their Companies House number, if appropriate the number of additional individuals to be insured who is to be insured, the requirements which must be satisfied for them to join and the benefits to be provided, if these are different to the Policy terms already insured 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for those who are to be covered immediately Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	Premium rates may need to be reviewed. This will depend on the number of lives and benefits to be insured for the new company or organisation.
Remove company or organisation	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the name of the company or organisation to be removed the date on which cover should cease the numbers of lives and total salaries/benefits which will remain insured 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed if there is a large decrease in the numbers and/or the total benefits insured.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal.</p> <p>An updated Policy will only be issued if benefits are specific to the company/organisation being removed or, if applicable the unit rate changes.</p>

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
<p>Add new groups of employees, including TUPE transfers</p> <p>Such transferees are not considered to be new employees. Further information can be found in Adding an individual to the Policy</p>	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the name of the company or organisation from which the individuals are transferring whether the benefits have been previously insured through a group insurance Policy the name of the company or organisation who will hold their new contracts of employment the number of additional individuals to be insured who is to be insured, the requirements which must be satisfied for them to join and the benefits to be provided, if these are different to the Policy terms already insured by us 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for those who are to be covered immediately Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed. This will depend on the number of lives and benefits to be insured for the new group being added.</p> <p>Where premiums are calculated on a unit rate basis we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal. An updated Policy will only be issued if:</p> <ul style="list-style-type: none"> benefits are specific to the individuals being added the unit rate changes
<p>The postcode of someone's normal place of work changes (companies or individuals covered)</p>	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the new postal address number of members and the total benefits insured at the new location number of members and total salaries insured at the previously declared location 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed. This will be dependent on the location and the number of lives who will be insured at the new location.</p> <p>Updated accounts and Policy will only be issued if the unit rate, if applicable, changes.</p>
<p>Change the minimum entry age at which someone can be insured</p>	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> minimum age now required detail of anyone who will become eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover immediately 	X	X	✓	<p>Assumption that this change would not result in the numbers of lives and salaries/benefits insured increasing by more than 25%.</p>

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Change the maximum entry age at which someone can be insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – maximum age now required – details of anyone who will become eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover immediately 	✗	✗	✓	Assumption that this change would not result in the number of lives and salaries/benefits insured increasing by more than 25%.
Change the minimum service requirement before which someone can be insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – minimum Service now required – details of anyone who will become eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover immediately 	✗	✗	✓	Assumption that this change would not result in the number of lives and salaries/benefits insured increasing by more than 25%.
Change the age at which cover ceases for someone who is insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – revised cease age now required – details of anyone who will become eligible/re-eligible for the insurance if the change is agreed Up to date membership data (see page 1) as premium rates will need to be reviewed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for everyone insured, including anyone who is receiving benefit payments 	✓	✓	✓	We do not impose any evidence of insurability requirements if the cease age reduces.