

Group Income Protection

MULTIFLEX YOUR

BENEFITS

UPWARDS AND OUTWARDS



Multiflex is available for all Group Income Protection schemes with over 100 lives

Multiflex – a new dimension for flexing Group Income Protection

Our exciting new approach gives employers greater control over their costs without restricting the extent of cover available to their staff.

This new dimension can make the choice of benefit much more relevant to employees. It also allows employers to manage their costs without restricting the cover they offer.

We believe this adds significantly to the options available when designing a new flexible benefit scheme and provides an opportunity to refresh an existing arrangement.

What is it?

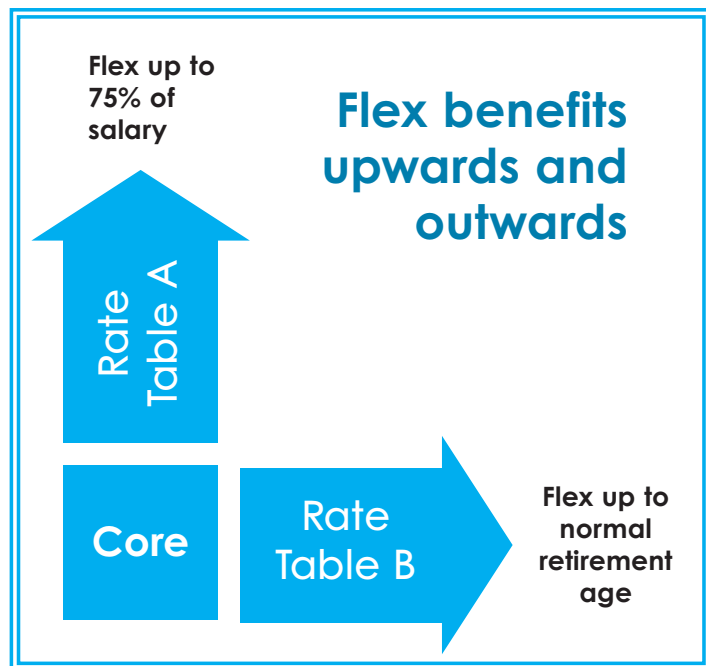
Traditional flex schemes allow the employee to increase the proportion of salary insured above a 'core' or minimum level of cover. However, there is usually no choice to determine the maximum length of time the Income Protection benefit will be payable.

Multiflex allows the member to choose either a limited benefit payment period or payment until normal retirement age (to a maximum age of 65), should they continue to be incapacitated, as well as the option to vary the percentage of salary insured.



How does it work?

A 'core' benefit of not less than 40% salary with a limited term period of at least two years will apply. A member may choose to increase the percentage of salary insured in 'steps' agreed with the client (up to a maximum of 75% salary) and/or extend the maximum term of the benefit to normal retirement age (or any shorter period built into the scheme design.)



At the time the scheme commences or when an employee first becomes eligible, the employee may select any level of cover within the scheme range. At later renewal dates or when the employee undergoes a **lifestyle event**, the benefit entitlement may be increased by one 'step'. A 'step' may either be the difference between the existing percentage of salary benefit and the next highest, or a move from limited to until normal retirement age benefit term. All increases are only possible if the employee is not incapacitated and should they wish to extend the benefit term at the **renewal date** they must also complete a short medical declaration consisting of five questions.

A unit rate will be used to calculate the cost of the 'core' benefit. Additional premiums for increasing benefit above the 'core' will be calculated on an age-related rate table – Table A. If the term of the benefit is extended, all benefit will be costed using a second table of age-related rates – Table B.

What are the advantages?

All employees are provided with the limited term 'core' element. However there is scope to enjoy cover with a high percentage of salary, potentially payable until normal retirement age (to a maximum age of 65).

Depending on how the scheme is designed, employees can reduce their cover to a minimum and spend the savings on other benefits, or choose to have a generous level of benefit that will protect them for the remainder of their working lives if they are incapacitated. The range of choice is much greater than is the case with current flexible benefit schemes.

For more details, please call Neil Edwards on 01737 374660 or email neil.edwards@landg.com, or visit www.legalandgeneral.com/groupprotection

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