

**Secretariat**

29 December 1999

Information circular*

To: Members of the staff

From: The Controller

Subject: **Group life insurance - Automatic increase and waiver******Addendum**

1. The purpose of the present addendum is to update the information contained in paragraphs 7, 8 and 9 and annexes I and II to information circular ST/IC/1998/77, dated 15 December 1998.

2. Section 5 of administrative instruction ST/AI/1998/10, dated 12 November 1998, provides that the level of coverage available under the Aetna group life insurance plan may be automatically adjusted periodically to take account of changes in the pensionable remuneration of the staff member. Accordingly, in respect of group life insurance participants who are not currently at the maximum indemnity level, an automatic adjustment in the level of insurance coverage, corresponding to any increases in pensionable remuneration since 1 January 1999, will take effect on 1 January 2000. As the payroll for the month of December 1999 will have been processed prior to the issuance of the present circular, any adjustment in premium deduction which may be required will be implemented retroactively.

Waiver of automatic increase

3. All participants in the plan, other than those who have previously signed a waiver of automatic increase, are reminded that if their pensionable remuneration in December 1999 places them at a higher insurance level, their coverage will automatically be increased to that higher level **unless** they execute the waiver set out in annex II to the present circular. **This will be the last opportunity to exercise the waiver of automatic increase provision. A further revision of the life insurance programme, currently under preparation, will be announced next year under which the waiver option will no longer be available.**

* The present circular will be in effect until further notice.

** Personnel Manual index No. 6222.

Effect of the waiver

4. In signing the waiver form, a participant is choosing to retain his or her group life insurance coverage at the current level. The waiver thus freezes the participant's coverage at that amount indefinitely unless the participant decides at some time in the future to apply for the higher amount of coverage based on his or her pensionable remuneration at the time of application. At the time of such application for higher coverage, the participant will be **required to provide evidence of insurability** satisfactory to the insurance company. A special "evidence of insurability" application form is available for this purpose. The insurance company reserves the right to reject any such application and may require the applicant to undergo a medical examination at the applicant's own expense.

5. In making the decision to waive the automatic increase, staff members should check the current level of their pensionable remuneration by reviewing their most recent Pension Fund statement in conjunction with the life insurance brackets set out in annex I to the present circular.

Waiver form

6. The waiver form set out in annex II may be detached or photocopied as necessary. Participants who wish to waive any future automatic increase in life insurance coverage should sign and return the completed waiver form to the Payroll Section, Accounts Division, Office of Programme Planning, Budget and Accounts, room S-1826 (or, if payrolled outside Headquarters, to the appropriate finance section), **no later than 15 March 2000**. A copy of the executed waiver form should also be sent by the participant to the Insurance, Claims and Compensation Section, Office of Programme Planning, Budget and Accounts, room S-2765.

Designation of beneficiary

7. Staff members are reminded to review their designation of beneficiaries in respect of their group life insurance coverage. Changes in the designation of beneficiaries may be made at any time and special forms for this purpose may be obtained from the Insurance, Claims and Compensation Section, room S-2765, extension 3-5806, at Headquarters. Staff members serving away from Headquarters may obtain these forms from their respective administrative officers.

8. For additional information on group life insurance, please contact the Insurance, Claims and Compensation Section, room S-2765.

Annex I

Group Life Insurance Brackets

Amounts of insurance coverage and corresponding premiums for different levels of pensionable remuneration

<i>Annual pensionable remuneration</i>	<i>Maximum life insurance</i>	<i>Maximum accidental death and dismemberment insurance</i>	<i>Monthly premium effective 1 January 1999</i>
\$	\$	\$	\$
Less than 2 000	5 000	5 000	1.45
2 001 to 4 000	10 000	10 000	2.90
4 001 to 6 000	15 000	15 000	4.35
6 001 to 8 000	20 000	20 000	5.80
8 001 to 10 000	25 000	25 000	7.25
10 001 to 12 000	30 000	30 000	8.70
12 001 to 14 000	35 000	35 000	10.15
14 001 to 16 000	40 000	40 000	11.60
16 001 to 18 000	45 000	45 000	13.05
18 001 to 20 000	50 000	50 000	14.50
20 001 to 22 500	56 250	56 250	16.32
22 501 to 25 000	62 500	62 500	18.13
25 001 to 27 500	68 750	68 750	19.94
27 501 to 30 000	75 000	75 000	21.75
30 001 to 32 500	81 250	81 250	23.57
32 501 to 35 000	87 500	87 500	25.38
35 001 to 37 500	93 750	93 750	27.19
37 501 to 40 000	100 000	100 000	29.00
40 001 to 42 500	106 250	106 250	30.82
42 501 to 45 000	112 500	112 500	32.63
45 001 to 47 500	118 750	118 750	34.44
47 501 to 50 000	125 000	125 000	36.25
50 001 to 52 500	131 250	131 250	38.07
52 501 to 55 000	137 500	137 500	39.88
55 001 to 57 500	143 750	143 750	41.69
57 501 to 60 000	150 000	150 000	43.50
60 001 to 62 500	156 250	156 250	45.32
62 501 to 65 000	162 500	162 500	47.13
65 001 to 70 000	175 000	175 000	50.75
70 001 to 75 000	187 500	187 500	54.38
75 001 to 80 000	200 000	200 000	58.00
80 001 to 85 000	212 500	212 500	61.63
85 001 to 90 000	225 000	225 000	65.25
90 001 to 95 000	237 500	237 500	68.88
Above 95 000	250 000	250 000	72.50

Note: Coverage for staff members entering the plan at age 62 or later will be restricted to \$14,000 life insurance coverage and the same amount of accidental death and dismemberment insurance coverage.

Coverage for staff members whose life insurance coverage exceeds \$125,000 will be automatically reduced to that level and the same amount of accidental death and dismemberment insurance, on 1 January coinciding with or next following attainment of age 62.

Annex II**Waiver of automatic increase**

Date: _____

To: Payroll Section, room S-1826
(or, if payrolled outside Headquarters,
to the appropriate finance section)

Subject: **Group life insurance**
Group policy numbers GL-14008 and GC-14008-A

1. I hereby certify that:

(a) I have been given an opportunity to avail myself of the increased group life insurance benefits offered by the United Nations in accordance with administrative instruction ST/AI/1998/10 and information circular ST/IC/1998/77/Add.1 on group life insurance; and

(b) I have decided not to take advantage of the offer.

2. I request, therefore, that my life insurance and accidental death and dismemberment coverages under the group policy be maintained at their current level.

3. I understand that in order to obtain increased insurance in the future, I will be **REQUIRED TO PROVIDE EVIDENCE OF INSURABILITY** satisfactory to the insurance company and may be required to undergo a medical examination at my own expense.

4. I further understand that the company reserves the right to reject my application for such an increase.

Signature of staff member

Signature of witness

Print or type name in full

Print or type name in full

Payroll index number

Duty station

The effective date of the waiver of automatic increase will be 1 January 2000. In order to ensure that the necessary payroll action to freeze coverage can be taken before that date, this form should be forwarded to the appropriate payroll unit before 15 March 2000. The payroll action to freeze coverage will be implemented retroactively. This form will then be filed in the staff member's finance file.

