

# **The Group Life Master Trust**



Since the Pensions Acts 2004 it has been illegal for pension schemes to provide life assurance benefits to members who have no actual or potential pension interest in a scheme (so called life only members). The penalty for providing coverage for life only members is a fine of up to £5,000 a trustee (or £50,000 for a corporate trustee).

The traditional remedy to this problem has been for an employer to set up and run a 'life only' trust. These, however, have to be established as registered pension schemes and so are not straightforward to operate.

The **Group Life Master Trust** is an alternative remedy to the problem.

By joining the Group Life Master Trust your clients will reduce:

- (a) the work that they have to do
- (b) the work and risk of litigation that can occur on contested death claims
- (c) their compliance risk

Our aim for the Group Life Master Trust is that it will give your clients' peace of mind.

## How the service works

PTL have established the Master Trust and act as its trustee. We will take all operation responsibility for the Master Trust. This means that it is very simple for your client to participate.

Each of your clients will have their own dedicated segment of the Master Trust. The segment can be branded by you or by them.

Death claims will be administered by PTL as trustee of the Master Trust. We will consider all relevant factors in relation to its distribution, decide to whom it should be paid and arrange payment. We will record all of our decisions in accordance with the law.

Your clients can terminate their membership of the Master Trust by giving us one month's written notice.

## Is this an insurance product?

The Master Trust is not an insurance product. The underpinning life assurance is arranged by you as normal. The Master Trust is just about the distribution of benefits following a death.

## What does membership cost?

- There are no installation, sign on or exit fees
- The standard annual fee of £500 per employer will be discounted for Portal clients to zero
- The fixed claim fee of £1,000 per claim will be discounted for Portal clients to £950

Other comments in relation to fees:

- VAT and disbursements are payable in addition to the above
- The fees quoted are as at March 2013. We reserve the right to revise them from time to time.



## **Who we are**

PTL is a leading and awarding winning firm of independent trustees. We act for pension and life trusts and a number of DC and other Group Life Master Trusts.

We have offices in London, Reading and Leeds and have clients throughout the UK.

The PTL team includes members of the Association of Pension Lawyers, the Pensions Management Institute, the Chartered Insurance Institute, the Institute of Actuaries and the Association of Business Recovery Professionals. PTL is a member of the National Association of Pension Funds and the Association of Corporate Trustees

## **To find out more**

If you'd like to find out more about this service or PTL please see our website at [www.ptluk.com](http://www.ptluk.com)