



ST/ADM/SER.A/1308
27 February 1969

INFORMATION CIRCULAR

Superseded by Life Insurance
booklet

To: Members of the Staff

Subject: GROUP LIFE INSURANCE

I. Purpose

1. The purpose of this circular is to announce to the staff an increase, with effect from 1 March 1969, in group life insurance coverage, without any change in the contribution by the insured (except for the necessary rounding of figures), the addition of a new bracket at the top of the present insurance schedule applicable to staff members with pensionable remuneration of \$20,000 or more, and an improvement in the after-service benefits available to separated staff.

II. Schedule of insurance

2. The insurance for eligible staff members consists of basic insurance, payable in the event of death from any cause at any time or place, and of additional insurance for accidental death and dismemberment.

3. The amount of coverage under the old schedule is increased by approximately 10 per cent and the maximum coverage under the new schedule is raised to \$38,000, as compared with \$30,000 under the old schedule. In addition, a bonus of 10 per cent will apply to the new face amount of the insurance coverage (including that for accidental death and dismemberment), until further notice. Details of the amounts of insurance coverage available and the monthly costs are given in annex A.

III. Eligibility

4. All regular staff who have a contract of one year or longer are eligible for coverage in accordance with their conditions of employment. Entrance into

the group life insurance plan is, as in the past, open to those who apply within thirty-one days of the date of eligibility (date of appointment or signing of contract). Those applying subsequently are required to provide medical evidence that, at the time of application, they meet the medical standards set by the United Nations for employment with the Secretariat. These medical standards must also be met where application for higher insurance is made by those insured staff members who in the past have elected to retain a lower face amount of insurance than they are eligible for by virtue of their level of pensionable remuneration.

IV. Benefits available to separated staff

5. After-service benefits are also improved.

Subject to the conditions defined in paragraph 8 below, basic insurance coverage (excluding the additional insurance for accidental death and dismemberment) is provided without payment of premium as set out below. (See also annex B.)

6. Staff members who have had at least ten years' contributory participation in the plan shall have, upon leaving the Organization:

(a) Prior to age 55

- with ten years' participation: one year's free coverage at the face value of the policy in force at the time of separation;
- with twenty years' participation: two years' free coverage at the face value of the policy in force at the time of separation;

(b) From the age of 55 through the 64th year: 45 per cent of the face value of the policy at the date of separation (formerly 40 per cent) provided that the after-service coverage of a staff member whose life insurance was reduced in accordance with Note (2) of annex A shall be the amount it would have been had a reduction not been made following the extension of service beyond age 62;

(c) From the age of 65 through the 69th year: 22.5 per cent of the face value of the policy at the date of separation (formerly 20 per cent);

(d) From the 70th birthday onwards: 7.5 per cent of the face value of the policy at the date of separation (formerly 5 per cent) subject to a minimum of \$500 and to a maximum of \$1,500 (formerly \$1,200).

7. The percentages reflected in paragraphs (b), (c) and (d) above will apply as from 1 March 1969 to the face value of the policy at the date of separation of staff members eligible for after-service benefits who left the Organization prior to that date and who were alive on or after that date.
8. The after-service benefits with respect to a staff member who was not insured for the full amount to which he was entitled will be based on an average of the face value of his policy for the ten years immediately preceding the date of separation.

INQUIRIES MAY BE DIRECTED TO THE INSURANCE UNIT,
ROOM 3706, EXTENSIONS 3359 AND 3061.

ANNEX A
OLD SCHEDULE OF GROUP LIFE INSURANCE COMPARED WITH THE NEW SCHEDULE

OLD SCHEDULE			NEW SCHEDULE EFFECTIVE 1 MARCH 1969		
PENSIONABLE REMUNERATION	FACE AMOUNT OF POLICY	MONTHLY CONTRIBUTION	PENSIONABLE REMUNERATION	FACE AMOUNT OF POLICY	MONTHLY CONTRIBUTION
Under \$2,000	\$ 2,750	\$1.27	Less than \$2,000	\$ 3,000	\$1.26
\$ 2,000 to \$ 3,599	5,500	2.53	\$2,000 to \$ 3,599	6,000	2.52
\$ 3,600 to \$ 5,449	8,250	3.80	\$3,600 to \$ 5,449	9,000	3.78
\$ 5,450 to \$ 7,249	11,000	5.06	\$5,450 to \$ 7,249	12,000	5.04
\$ 7,250 to \$ 8,999	13,750	6.33	\$7,250 to \$ 8,999	15,000	6.30
\$ 9,000 to \$11,999	20,625	9.49	\$9,000 to \$11,999	22,500	9.45
\$12,000 to \$15,999	25,000	11.50	\$12,000 to \$15,999	27,500	11.55
\$16,000 and over	30,000	13.80	\$16,000 to \$19,999	33,000	13.86
			\$20,000 or more	38,000	15.96
NOTE: (1) Under the old schedule, coverage for staff members entering the plan at age 60 or more is restricted to \$7,000 group life insurance plus a similar amount of accidental death and dismemberment insurance. (2) Coverage for staff whose life insurance exceeds \$12,000 will be automatically reduced to that level on 1 May next following attainment of age 62, plus a similar amount for accidental death and dismemberment insurance.			NOTE: (1) Under the new schedule, coverage for staff members entering the plan at age 60 or more is restricted to \$7,000 group life insurance plus a similar amount of accidental death and dismemberment insurance. (2) Coverage for staff whose life insurance exceeds \$17,100 will be automatically reduced to that level on 1 May next following attainment of age 62, plus a similar amount for accidental death and dismemberment insurance. (3) An additional 10 per cent bonus will apply to the face amount of the policy, subject to review in the light of experience.		

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ANNEX B

NEW SCHEDULE OF LIFE INSURANCE FOR STAFF SEPARATED ON
OR AFTER 1 MARCH 1969, AT AGE 55 AND ABOVE WITH AT
LEAST 10 YEARS' CONTRIBUTORY PARTICIPATION

FACE AMOUNT OF POLICY ON SEPARATION	AMOUNT OF COVERAGE AFTER SEPARATION		
	AGE 55 THROUGH 64 45%	AGE 65 THROUGH 69 22.5%	AGE 70 AND OVER 7.5%*
\$ 3,000	\$ 1,350	\$ 675	\$ 500*
6,000	2,700	1,350	500*
9,000	4,050	2,025	675
12,000	5,400	2,700	900
15,000	6,750	3,375	1,125
22,500	10,125	5,062.50	1,500*
27,500	12,375	6,187.50	1,500*
33,000	14,850	7,425	1,500*
38,000	17,100	8,550	1,500*

* Subject to a \$500 minimum and a \$1,500 maximum.
