



**The Dublin Solicitors' Bar Association  
Income Protection Scheme**

**Available to all practicing Solicitors in Ireland**



## **New Dublin Solicitors' Bar Association Group Income Protection Scheme**

This brochure details the new group income protection scheme (the Scheme) that has been designed for DSBA Members but is available to all Solicitors. Income Protection is an important type of insurance which is designed to cover many of your financial commitments if an illness, injury or disability prevents you from earning an income.

In this Scheme you choose a benefit you want to be insured for (up to 75% of income with a ceiling of €250,000). The benefit will be 50% of your chosen benefit paid after 13 weeks disability, increasing to 100% of the benefit paid after 26 weeks.

**The premium is €26.50 per annum per €1,000 of benefit.**

### **Example:**

- **The Gross cost of €50,000 benefit is €1,325 per annum (or €110.42 per month) before tax relief.**

The premium is guaranteed for two years and assuming a good take up by Solicitors this premium will apply for the first two years of the Scheme and will be reviewed every two years.

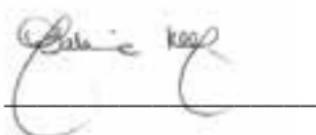
N.B. The way the Scheme works is that the premium is the same regardless of your age, gender or whether you smoke or not.

The Scheme includes an additional benefit that if you are hospitalised as result of illness or accident, you will receive benefit after 7 days in hospital. When you leave hospital the benefit ceases but it recommences after 13 weeks if you have not gone back to work.

The Scheme is open to all Solicitors practicing in Ireland, self-employed or employed. We are advised that for most people, the Scheme will offer a significant discount on the premium you are currently paying as an individual, outside a group scheme.

The success of the Scheme will depend on a good take up by Solicitors. We encourage you to compare the Scheme and premium with your existing cover and also to encourage your colleagues to consider joining the Scheme.

The DSBA does not act as agent or broker of either Friends First or Aon Hewitt and as with any insurance product, members should satisfy themselves as to the suitability of this product for their purposes before purchasing.



**Geraldine Kelly  
President DSBA 2012**

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## 1. INTRODUCTION

### 1.1 Why Do I need Income Protection

**As a solicitor, your financial security is in your hands. Which means that it's up to you to protect yourself against the risk of an accident or illness leaving you unable to earn an income. Without adequate income your hard-earned lifestyle would suffer.**

Income Protection can close that gap and give you complete financial security. You pay a monthly, tax-deductible premium based on your income and health status. Then if an accident, illness or injury leaves you unable to earn an income, your policy can pay you a replacement income of up to 75% of your net relevant earnings. By closing the income gap, Income Protection helps maintain the lifestyle you have trained and worked so hard for.

**The DSBA Income Protection Scheme will provide you with an unparalleled opportunity to avail of Income Protection with unique scheme benefits.**

**Highlights of the Unique member benefits;**

- **50% of the benefit chosen by you is payable after 13 weeks**
- **If you are still incapacitated after 26 weeks, the benefit payable to you will increase to 100% of the benefit chosen.**
- **The full benefit is then payable until you return to work or reach retirement age, (65) whichever is sooner.**
- **The benefit payable to you will increase each year at 3% compound interest**
- **The plan also pays a benefit to you in the event that you are hospitalised for more than 7 consecutive days.**

The rates, terms and conditions of the contract now being offered to you are superior to those available to you as an individual effecting this vital cover. This booklet has been prepared to explain, simply and concisely, the various benefits of the Scheme. However, the booklet contains only an outline of the Scheme.

The Scheme is governed by a Group Income Protection Insurance Policy, which controls the circumstances in which payments will be made. This document is available for inspection on request. The Policy itself will apply in the event of a claim.

## 1.2 Who is eligible to join?

Membership of the Scheme is open to all practicing Solicitors in Ireland who are under age 65. If you are eligible to join the Scheme, application forms can be downloaded from the DSBA website, by e-mailing [requests@aon.ie](mailto:requests@aon.ie) or [Cilian.O'Brolchain@aon.ie](mailto:Cilian.O'Brolchain@aon.ie).

## 1.3 How much does the Scheme cost?

The cost of the Scheme (same rate applies for males and females) will be €26.50 per annum per €1,000 of annual benefit. The premiums qualify for Tax Relief. Assuming Tax Relief at 20% and 41%, the gross cost would be as follows:

€50,000 benefit will cost €1,325 per annum before tax relief.  
(€110.42 pm)

€100,000 benefit will cost €2,650 per annum before tax relief  
(€220.84 pm)

The rate quoted above will continue to apply until 1st September, 2013, at which time it will be reviewed and may go up or down depending on the ages of the membership at that time, the claims experience and the size of the Scheme.

## 1.4 How do I claim tax relief?

You apply for tax relief when completing your annual income tax returns, by quoting the DSBA Group Policy Reference and stating the amount of premiums for the period.

## 1.5 What is disability?

### *Total Disability*

You will be considered totally disabled if, because of sickness or accident, you are unable, in the opinion of the Underwriters, to carry out the duties of your own occupation and you are not receiving an income from any other occupation.

### *Partial Disability*

You will be considered partially disabled if, following a period of total disability, you are unable, in the opinion of the Underwriters, to carry out the full duties of your own occupation but can undertake some work in your own occupation but suffer a loss of income.

## **1.6 When are Hospitalisation Benefits payable?**

If you are hospitalised as a result of an accident or illness, your benefits will be paid after 7 consecutive days hospitalisation (on a weekly basis) at a rate of 1/7th of your equivalent weekly Income Protection benefit for each day you remain in hospital. It will continue to be paid until you leave hospital. Your hospitalisation benefit will cease when you leave hospital. If you are still incapacitated and unable to work after 13 weeks your disability benefit will commence.

## **2. MAXIMUM BENEFITS**

### **2.1 Benefit Types**

There are 2 distinct categories of benefit, namely Income Continuance Benefit and Pension Premium Protection Benefit.

Income Continuance Benefit provides a benefit to replace your income in the event that you are unable to carry out your normal occupation due to an illness or injury.

Pension Premium Protection Benefit maintains contributions to your Pension Plan while you are in receipt of Income Continuance Benefit.

### **2.2 Maximum Benefits**

The Total Benefit, i.e. the aggregate of the Income Protection Benefit and the Pension Premium Protection Benefit cannot exceed: 75% of your average earnings over the previous three years, (up to a maximum total benefit of €250,000 per annum).

### 3. DEFINITION OF EARNINGS

For the purposes of a claim, Earnings are defined as being your net taxable earnings, i.e. net profit after deduction of expenses allowed for taxation purposes.

#### 3.1 Are there any medical requirements when joining or at renewal?

When you are first included in the Scheme or subsequently elect to increase your benefit cover, you will have to provide the Insurers with evidence of your state of health. The medical requirements for new entrants to the Scheme are as follows:

*If you are under age 50 when joining:*

| Cover               | Medical Underwriting   |
|---------------------|--|
| <€60,000            | Special Shortened Application Form with only three questions asked.    |
| €60,000 to €100,000 | Full Application Form- GP Report                                       |
| >€100,000           | Full Application Form - GP Report<br>- Independent Medical Examination |

*If you are over age 50 when joining:*

| Cover              | Medical Underwriting   |
|--------------------|--|
| <€20,000           | Special Shortened Application Form with only three questions asked.    |
| €20,000 to €50,000 | Full Application Form- GP Report                                       |
| >€50,000           | Full Application Form - GP Report<br>- Independent Medical Examination |

***If within the last 12 months you have been accepted by another underwriter and can sign a declaration that there has been no medical issues arising since then, you may be able to transfer automatically to the DSBA Scheme.***

### **3.1.1 If you are increasing your benefits**

For increases in Benefit, in any 12-month period, of 20% or less over previous benefits, subject to a monetary maximum increase of €15,000, no medical underwriting will be required for those who have been previously accepted.

### **3.1.2 When do I qualify for benefit?**

You qualify for benefit if in the opinion of the Underwriter you are totally unable to carry out the duties of your normal occupation and you have reached the end of the deferred period of 13 weeks.

### **3.1.3 If I am disabled, how much will I receive?**

The amount of the benefits will depend on the level of benefits you selected when effecting the cover. The amount payable will be reduced by the amount you receive under any similar insurance, with reference to the above maximum limits.

### **3.1.4 How does partial disability affect my income?**

If you are partially disabled as described in the definition and suffer a reduction in earnings a reduced benefit will be payable.

### **3.1.5 How is the income paid?**

The income will be paid to you as salary, monthly in arrears, and will be taxed under P.A.Y.E.

### **3.1.6 Does the income increase during a claim?**

Yes. The benefit will increase each year by 3%. The first increase will apply after payment of benefit for 52 weeks and subsequent increases will be at yearly intervals.

### **3.1.7 What are the claims procedures?**

Claim forms should be completed at least 4 weeks before the end of the 13 weeks deferred period. Further medical and financial evidence may be required both before and after a claim is agreed. If, whilst claim payments are being made you engage in any occupation, the Insurers must be advised.

### **3.1.8 When and for how long will I receive benefit?**

The disability benefit will commence after 13 weeks and will continue until:

- You return to work
- Your 65th Birthday
- Your recovery
- Your death

If, having already received benefits, you then return to your former occupation and within 26 weeks you become disabled again arising from the same cause, payment of benefit will resume immediately.

If the Scheme is discontinued, any benefits which are already being paid or which are due to start within 13 weeks will continue in accordance with the terms of the Policy.

## 4. GENERAL CONDITIONS

### 4.1 Will I be paid if I suffer injury or illness outside my occupation?

Yes. Cover is provided on a 24 hour a day basis, up to age 65. You are covered for world-wide travel be it either for the purpose of business or pleasure, subject to you being resident in the EU.

Cover will continue for temporary residence abroad for periods not exceeding 12 continuous months. You must notify the Underwriters when the 12 continuous month period is reached.

### 4.2 If I am paid benefit under the Scheme and then return to work, can I still be covered?

Yes. This contract is non-cancellable. Once the underwriters have accepted you for an amount of benefit, they cannot cancel the cover then in force on account of subsequent medical record or amount of claims.

### 4.3 If I become a claimant, do I still pay premiums?

No. Once the deferred period is completed, no premiums are payable until the claim ceases.

#### **4.4 Are there any circumstances where the income would not be paid?**

Your disability benefit will not be paid if disability arises as a result of specifically excluded circumstances, as follows:

- The taking of alcohol.
- The taking of drugs (other than under the direction of a Registered Medical Practitioner)
- By any form of war, whether declared or not.
- By participation in a riot, insurrection or civil commotion.
- By a wilfully self-inflicted injury or the deliberate neglect of health by failure to seek or follow medical advice.
- Pregnancy itself is not considered to be a disability but any disability that occurs as a result of pregnancy will be covered.

You may reside or travel anywhere in the world. However, if a benefit becomes payable and at the payment commencement date, or at any time thereafter, you are resident or travelling outside the 'free limits', the relevant benefit will be payable in respect of a maximum of 13 weeks during any period of 52 weeks of such residence or travel. This is subject to an overall limit of 39 weeks payment of such benefit. 'Free limits' means all countries that are members of the European Union at the time you joined the Plan.

### **5. AMENDMENTS TO THE SCHEME**

We hope to continue the Scheme indefinitely. We must, however, reserve the right to modify, suspend or discontinue the Scheme by giving notice to the eligible solicitors if future conditions warrant such act.

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Beech Hill Pension Trustees Limited t/a Aon Hewitt is regulated by The Central Bank Of Ireland.

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