

Master Trust FAQs

Frequently Asked Questions

Q. What is the AIG Life Group Life Master Trust?

A. It is a registered group life scheme sponsored by AIG Life Limited (AIG Life), which avoids the need for employers to set up their own registered scheme with HMRC and the necessary administration that would go with it. It is available to our registered group life policyholders. PTL Governance Ltd are the trustee of the Master Trust.

Q. Who are PTL Governance Ltd (PTL)?

A. PTL is a top 10 independent trustee firm with offices in London, Leeds and Reading. They act as an independent trustee and provide a range of governance services. They are a member of the National Association of Pension Funds and the PMI Independent Trustee Group. More information can be found on their [website](#).

Q. How can my organisation join the Master Trust?

A. AIG Life, as the sponsor of the Master Trust, may admit any company, firm or person to participate in it provided that they are covered by a registered group life policy.

We may accept an executed policy application document as sufficient notice to us of your intention to participate in the Master Trust. Participation will take effect on the date agreed by us.

Q. Can I have a copy of the Master Trust Deed?

A. Yes, you can download it from our website.

Q. What happens if there is a claim?

A. We should be notified of the claim in the normal way. Once the claim has been accepted, we will pay the proceeds to PTL, to be distributed to the beneficiary(ies). We recommend scheme members complete nomination of beneficiary forms identifying who they would like any benefits to be paid to. It is important to understand that this nomination is not binding, it is purely an expression of wish.

Q. What do PTL do following a claim?

A. They will contact the employer and next of kin and collect information about the personal circumstances. They will also ask for a copy of the most recent nomination of beneficiary form if one has been completed. The trustees will then review the circumstances, decide on the most appropriate beneficiaries and distribute the benefits accordingly. PTL will write to the employer to tell them that the beneficiaries have been paid. However, in order to comply with Data Protection legislation, PTL will not tell the employer who the beneficiaries are.

Q. How long does it take PTL to determine the beneficiaries and make payment?

A. Each case is different and depends on a number of factors. These include the family circumstances and whether a nomination of beneficiary form has been completed. PTL will contact the employer and next of kin, if known, within 48 hours of AIG accepting the claim and begin their investigations. Our records showed as at January 2017, where a nomination of beneficiary form is provided, PTL take an average of 27 days to settle a claim, compared to an average of 45 days when there is no nomination of beneficiary form.

Q. What happens if a participant moves their insurance cover to a different insurer?

A. The employer's participation in the Master Trust will cease automatically. A new trust will need to be established and the employers registered with HMRC to obtain a new Pension Scheme Tax Reference (PSTR). Alternatively, if the new insurer operates a Master Trust, they may be able to join that trust.

Q. Can a participant withdraw from the Master Trust?

A. Yes. We need a month's notice if an employer want to withdraw and establish their own trust.

Q. Can an excepted policies join the Master Trust?

A. No. The Master Trust is for registered policies only. Excepted policies will need to establish their own trust. The employer can use our Excepted Group Life Assurance Trust to establish an excepted policy. For policies that are established using this Trust, PTL will be the trustees.

Q. Can an existing registered group life scheme join the Master Trust?

A. Yes. The trustees will need to terminate the existing group life trust before joining the Master Trust. They will need to check their trust deed to establish how this needs to be done – usually either by written notice to the Trustees or by a Deed of Termination. For more information, see Appendix 1. A request to join our Master Trust must be in writing on company headed paper – a scanned copy emailed to us is fine. We are unable to backdate inclusion in the Master Trust.

Appendix 1 – Terminating existing trusts

Points to consider when terminating an existing Group Life Trust

1. Ensure all death cases have been settled and no monies remain in the trust bank account.
2. Each individual trust will have their own procedures to terminate the trust. Check the trust deed as this will explain how the trust can be terminated.
3. If the existing trust is registered with HMRC, the registered 'scheme administrator' (usually the trustees in a group life trust arrangement) will need to log on to the HMRC's online system and file an online report regarding the termination of the trust. This needs to be submitted within three months of the termination of the trust.
4. Arrange for the trust bank account to be closed.
5. We suggest keeping a copy of correspondence relating to the closure of the trust for future reference for six years.



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