

While you get on with your life, let us take care of your healthcare needs. Whether it's paying for medical treatment, providing information and advice or helping to improve your lifestyle, we can help.

At AXA PPP healthcare we are dedicated to supporting you.

INDIVIDUAL MEDICAL INSURANCE
COMPANY MEDICAL INSURANCE
INTERNATIONAL MEDICAL INSURANCE
OCCUPATIONAL HEALTH
HEALTH AND SAFETY
EMPLOYEE ASSISTANCE PROGRAMMES
DENTAL COVER
TRAVEL INSURANCE

www.axapphealthcare.co.uk



AXA PPP healthcare, Phillips House, Crescent Road, Tunbridge Wells, Kent, TN1 2PL, United Kingdom. Telephone 0870 608 0850
AXA PPP healthcare limited. Registered Office: 107 Cheapside, London EC2V 6DU, United Kingdom. Please note that with effect from
13th January 2006 our registered office will move to 5 Old Broad Street, London EC2N 1DW, United Kingdom.
Registered in England No. 3148119. Authorised and regulated by the Financial Services Authority. © AXA PPP healthcare 2005
In order to maintain a quality service, telephone calls may be monitored or recorded

Be Life Confident

PB27263a/10.05 (LCD)

GROUP SECRETARY GUIDE AND ANNUAL AGREEMENT

What you need to know
For Directors, VIP, Executive + Business Express Plans
October 2005



PPP HEALTHCARE

Be Life Confident

Welcome to your company agreement with AXA PPP healthcare

Contents

Section	Page number
Introduction	1
Further information	4
The Agreement	6

AXA PPP healthcare helpline: 0800 515644 9am to 5pm Monday to Friday
Calls may be recorded in case of subsequent query.

Address: AXA PPP healthcare
Beechcroft House, Ervington Court
Meridian Business Park
Leicester LE19 1WN

Group number:

Introduction

The purpose of this leaflet is to explain how your group scheme will operate and what you can expect from us. It will also explain what we require you to do as the group secretary of the scheme.

Membership documents

Your company is buying private medical insurance cover for employees and if applicable, their family members. We have to ensure that the members on the scheme are kept informed about their cover and the terms that apply to it from year to year. We therefore produce a membership statement and handbook each renewal year for every employee covered by the scheme. Please ensure that these are distributed to the members so that they are aware of the extent and nature of the cover provided and any changes that may have occurred in the rules and benefits of their particular plan.

Underwriting terms

The individual member's cover may be subject to certain specific underwriting restrictions depending upon the nature of their plan. If there are any such specific restrictions, then they will be shown in the membership statement for that member. Otherwise the terms of the cover are contained in the membership handbook. The types of medical conditions we will not pay for in any circumstances are detailed in sections 4, 5 and 6 of the membership handbook.

Adding other members

If employees want to join or add family members to their policy we will send you the forms to complete fully with the information we request. Depending on your agreement, there may be restrictions on when members can add family members to the policy.

Members can add newborn babies who are born to the member after they have joined, from their date of birth. We will normally allow the member to do that without filling out details of their medical history provided the member adds them within three months of their date of birth. We do not, however, allow this concession if the baby was born as the result of any method of assisted conception or if they have been adopted.

Unmarried children cannot remain as dependants on a policy after the renewal date following their 21st birthday (or 25th birthday if in full-time education). You must write to us at renewal each year and confirm any dependants that are in full-time education. If we do not receive such confirmation, those dependants will be automatically removed from the policy.

Changes in cover and in membership

If your company wishes to apply for a change in benefits by selecting a different type of plan or different hospital cover level, or for an excess to apply to the cover, please let us know at least 30 days before the group first start or 30 days before it is due to renew. We cannot make these changes during the course of a year and they can therefore only apply from the beginning of any policy year. Changes of this nature will, of course, apply without exception to all the employees covered and if the changes involve increases in cover this may, in certain circumstances for particular employees, be subject to restrictions.

Employees who are joining the scheme will be required to complete an application form. We cannot add a new employee to the scheme until we have received and have accepted that application form. Similarly, we will continue to charge your group premiums for employees until we are told they have left your employment and should no longer be covered. Please therefore let us know about members leaving the scheme within 30 days to avoid your company incurring the cost of premiums for them.

Calculating the premium – rewarding low claims

We believe your company should be rewarded if your claims are low. However, calculating small corporate premiums on claims experience alone can lead to excessive variation from one year to another.

AXA PPP healthcare gives you the best of both worlds – protection from the effects of large claims, whilst recognising lower than average claims.

Your premiums will be based on a number of factors including your choice of plan, level of excess, hospital cover level, the number of people in the group and their ages. We will also consider the medical underwriting terms and any available claims information, so that your group can be allocated to a rating pool of companies whose profile is similar to your own.

These factors will also be used when calculating future renewal premiums, together with the claims incurred by your group where applicable. We will gather information about the claims made and, if appropriate, move your group to another pool which more accurately reflects the claims level. The trend in claims experienced by all small corporate groups will determine the underlying price of each pool.

In this way, plans are designed to take account of the level of claims made by your group, whilst at the same time having some important safeguards. Your group's claims will be reviewed across more than one year's experience and unusually large claims will be considered in relation to the size of the group. This ensures your premium will continue to be in line with similar groups and is protected from excessive variation.

Having an excess

If, as part of your arrangement with us, the members pay an excess, then the premium for your group will be reduced. The excess operates on the basis that it is applied once each year to each person covered. The individual is responsible for paying the excess amount and we will deduct that from whatever we would otherwise have paid for the claim. As it applies each year, if treatment crosses a renewal date it means that the excess is applied twice – once to the treatment costs incurred before the renewal date and again for the costs incurred on or after the renewal date.

For more information about the discounts your company can receive by applying an excess, please contact your group adviser.

The present range of excess levels are:

£100 (level 1)

£200 (level 2)

£500 (level 3)

Paying the premiums

We will invoice you for the amount of premiums due approximately one month before they are due to be paid.

If there have been changes in membership then the invoice will show both the full year's premium for that member (for your reference) and also the amount actually due from the date of the change to the end of year.

We also send you a statement at the end of each month showing any premiums due and any premiums received and, therefore, any amounts outstanding.

How to pay

- Annually or quarterly by cheque or Direct Debit (If you pay annually in advance you will receive a 5% discount which will be reflected in your invoice).
- Monthly by Direct Debit.
- If you pay by monthly Direct Debit we will adjust collections automatically to take account of any changes in the group and will debit your account for invoices on their due date.
- If you pay quarterly or annually, and we issue a credit note (which can happen, for example, when a member leaves and there is a premium credit for part of the year which is unexpired) then they will be deducted from subsequent invoices unless you specifically ask us to refund that amount to you.
- Cheques should be made payable to AXA PPP healthcare and should reach us by the due date.

Directory of Hospitals

The Directory of Hospitals lists the hospitals and day-patient units in the United Kingdom for which we provide cover. We have chosen hospitals for inclusion in the Directory of Hospitals based on the quality, value and range of services that they provide and we have an Agreement with them under which they will provide services to our customers.

All hospitals listed in the Directory of Hospitals have been assessed by our quality assessment team. They all have:

- procedures in place to safeguard standards of care
- specified clinical staffing levels
- a doctor on site 24 hours a day
- properly maintained emergency/resuscitation equipment
- a continuous quality improvement programme.

Not only do we choose hospitals that maintain high standards of care, we also consider the value for money they provide. Our aim is to ensure that the costs for the services provided are at an appropriate level and that consequently cover remains affordable.

If we are unable, after reasonable negotiation, to conclude the Agreement in whole or in part, it may be necessary from time to time for us to suspend the use of a hospital, day-patient unit or scanning centre listed in the Directory of Hospitals so as to protect the interests of all our customers.

In such an event we will indicate the suspension on our website: www.axapphealthcare.co.uk. To be assured of cover, members should call our team of Personal Advisers in advance of any treatment. There may be occasions when the treatment a member requires cannot be carried out in one of the hospitals, day-patient units or scanning centres listed in the Directory of Hospitals. In such cases, if it is medically necessary, we will pay for the member to use any hospital, day-patient unit or scanning centre as long as we have specifically agreed to this in writing before treatment begins.

You have a choice

We believe that our customers should be given a choice. If you would prefer to subscribe on the basis of having your costs covered at any hospital in the country irrespective of the Directory of Hospitals, you can do so. However, you should note that we are not able to apply our quality criteria to any facilities or treatment you might receive at hospitals not appearing in the directory. Furthermore, we will have limited control over the cost at any hospital not appearing in the directory and, as a result you will be likely to find that the premium will be higher and could rise more sharply over time. If you would like to know more about this option, please contact your group adviser.

How is my personal data protected?

We will deal with all personal information you supply to us in the strictest confidence as required by the Data Protection Act (1998). We extend the same duty of confidentiality to any third parties to whom we may subcontract the administration of your scheme, including those based outside the European Economic Area.

We will use information about employees and any family members, supplied by you, the employee and those family members, to provide the services set out under the terms of the policy and to administer the scheme.

We may contact employees by post, telephone, or electronically with details of our other products and services. AXA PPP healthcare may also share some of their details with other AXA Group companies and other carefully selected companies based in the European Economic Area to enable these companies to contact them with details of their products and services and, if appropriate to administer them. If the employee does not wish us to do this please contact our team of Personal Advisers otherwise we will assume that, for the time being, they are happy to be contacted in this way. We may disclose information about anyone under this scheme when there is a legal requirement for us to do so or in circumstances when it would help us to prevent or investigate fraud or improper claims.

Further information

If you have any questions or issues which arise out of running your scheme, please contact your group adviser.

Optional worldwide Travel Cover

AXA PPP healthcare has developed a range of travel insurance policies to cover business trips and holidays for your employees. We are able to offer very low premiums for corporate groups providing all members recorded under the healthcare scheme have Travel Cover. The renewal date of the Travel Cover will coincide with the healthcare policy.

Annual premiums:

- members £48.20
- family £120.40
- members and partners £96.30
- single parent family £96.30.

Excellent savings through our Travel Club

In addition to all the quality travel benefits you would expect from AXA PPP healthcare, our Travel Cover automatically entitles your employees to membership of the Travel Club which offers superb discounts on travel services. For example, we can help to reduce the costs associated with employees' business travel by offering substantial discounts on airport hotels and secured parking. Discounts on RAC European Motoring Assistance and holidays through Thomas Cook Direct are also available through the Travel Club.

Benefit summary

- £5 million medical expenses
- emergency evacuation/repatriation cover
- cancellation up to £5,000
- loss of passport up to £250
- curtailment up to £5,000
- loss of baggage/personal effects up to £1,500
- loss of personal money up to £500.

For full terms and conditions please refer to the AXA PPP healthcare Travel Cover handbook or contact your group adviser.

Notes for the group secretary

- **If members' documents are sent to you directly, please distribute them without delay.**
- **If your group scheme changes cover at renewal, please explain this to the members.**
- **When adding new members to your group scheme, please ensure that you have discussed the following prior to completion of their enrolment form:**
 - data protection preferences
 - eligibility to join the company scheme, when the scheme is due for renewal and that it is a yearly contract thereafter
 - eligibility of adding family members, the criteria of which can be found in this Group Secretary Guide
 - income tax liability as a result of joining the group scheme
 - any excess that may be applied as part of your group scheme, details of which can be found in this Group Secretary Guide
 - any underwriting terms applicable to members eg moratorium, fully underwritten and any implications to their cover.
- **If new members would like to see a membership handbook prior to joining, please contact AXA PPP healthcare if you do not already have a copy.**

Agreement between AXA PPP healthcare limited and your company

1 Purpose

The **company** wishes to purchase private medical insurance (“cover”) for all, or certain of, its employees and has agreed that AXA PPP healthcare limited (“AXA PPP healthcare”) shall provide that cover, and AXA PPP healthcare has agreed to provide that cover. The purpose of this Agreement is therefore to set out the arrangements entered into between the **company** and AXA PPP healthcare for that purpose.

2 Definitions

Unless **we** give a different meaning to them in this Agreement, words and phrases in bold have the same meanings as set out in the handbook glossary which is contained in the members handbook. For the purpose of this Agreement the word member (“**member**”) shall mean both **policyholder** and **family members** jointly.

3 Cover

The terms of the cover provided to the **members** are as shown in the handbook terms and the **benefits table** provided to each **policyholder**. AXA PPP healthcare will pay benefits direct to the **members** in accordance with the terms of the cover.

4 Eligibility

Unless otherwise specifically agreed in writing:

- 4.1 The **company** hereby warrants that all eligible employees as at the effective date will be included and that other eligible employees who become eligible for inclusion subsequently will be included from the first day on which they become eligible.
- 4.2 **Family members** who are eligible for inclusion will be included from the same date as the eligible employee or from the date on which the person concerned first satisfied the definition of **family member** contained in the membership handbook glossary. If any **family member** is not included within three months of the date of first eligibility they may join subsequently, but will then be subject to full medical underwriting irrespective of any agreement which may exist between AXA PPP healthcare and the **company** to allow enrolment without such underwriting.
 - 4.2.1 **Family members** shall cease to be included on the same date as that on which the relevant eligible employee ceases to be included.
 - 4.2.2 The **company** can, subject to clause 5.5 below, withdraw employees who for whatever reason cease to be eligible employees by giving written notice. They will be withdrawn either:
 - (a) from the end of the day on which they leave the **company's** employment providing **we** are notified beforehand; or
 - (b) from the end of the month in which AXA PPP healthcare receives written notice of their withdrawal; or
 - (c) if later, from the end of the month in which they leave the **company's** employment.

The **company** shall immediately advise both AXA PPP healthcare and the eligible employee in writing when any eligible employee is no longer to be included. If the **company** fails to advise AXA PPP healthcare for any reason the **company** will remain responsible for the payment of the premium until the end of the month in which such notice is given.

5 Premiums

- 5.1 The premium shall be calculated by AXA PPP healthcare at the beginning of the **year**. AXA PPP healthcare reserves the right to change the amount of the premium during a **year** to reflect any changes in Insurance Premium Tax or other government levies.
- 5.2 All premiums are immediately due and payable on written notification from AXA PPP healthcare to the **company** or their intermediary or agent. Premiums are payable for the whole **year** and are due annually in advance, but may be paid in instalments if agreed between AXA PPP healthcare and the **company**. AXA PPP healthcare reserves the right to discontinue forthwith any agreement to accept premiums by instalments if any instalment shall not be received by AXA PPP healthcare on the date on which it was due or for any other reason. In such event all remaining premium instalments in respect of that **year** shall become immediately due and payable. For the avoidance of doubt, the **company** shall not be entitled to terminate the Agreement on notice or otherwise avoid liability for payment of premium for the whole **year**.
- 5.3 Premiums paid by the **company** to an intermediary or agent shall be received and held by such intermediary or agent on behalf of the **company** and not on behalf of AXA PPP healthcare. Until such monies are paid to AXA PPP healthcare by the intermediary or agent on the **company's** behalf, the **company** remains liable and responsible to AXA PPP healthcare for such payment.
- 5.4 The **company** shall be responsible for the payment of the premium for all eligible employees and **family members** included under this Agreement. The **company** may recover from any eligible employees that part of the premium which relates to **family members** if agreed between AXA PPP healthcare and the **company**. The **company** may not recover any part of the premium relating to eligible employees from those employees.
- 5.5 The **company** shall obtain the agreement of AXA PPP healthcare in writing if, during a **year**, it wishes to make any changes in the classes of eligible employees, or in the numbers to be included which will affect membership by more than 5% of the total numbers which were included at the beginning of the **year**. If such change is agreed AXA PPP healthcare shall have the right, if appropriate, to reconsider the basis of calculation of the premium and to require the immediate payment of any further premium thereby made necessary.

6 Commencement, renewal and termination

- 6.1 Cover shall operate from the effective date subject to payment by the **company** of the appropriate premium or part premium as specified by AXA PPP healthcare.
- 6.2 Unless otherwise agreed by AXA PPP healthcare in writing, this Agreement is for a **year** and is renewable on the agreed date by the **company** paying the renewal premium. AXA PPP healthcare will, before the renewal date, provide information for the **members** detailing changes to the membership terms and/or **benefits table** effective from the renewal date, and renewal will be subject to the terms of the membership handbook and **benefits table** as amended.

- 6.3 AXA PPP healthcare reserves the right to refuse to renew this Agreement. However if AXA PPP healthcare offers renewal terms in writing then this Agreement shall automatically renew for a **year** on those renewal terms unless the **company** shall have advised AXA PPP healthcare in writing of its unwillingness to renew on such terms within 14 days of the date such terms were sent to the **company**.
- 6.4 AXA PPP healthcare reserves the right to terminate this Agreement, forthwith on the giving of written notice, if
- any part of the premium remains unpaid for more than 28 days after it has become due and payable; or
 - the **company** shall mislead AXA PPP healthcare in any way; or
 - there shall be a material breach by the **company** of any of its obligations arising under this Agreement and, in case of such breach being capable of being remedied, such breach shall not have been so remedied within 28 days of notice being given by AXA PPP healthcare to the **company** specifying such breach.
- 6.5 Any termination of this Agreement shall be without prejudice to any accrued rights and obligations of both parties in respect of the period for which the premium has been paid.

7 Liability

- 7.1 The liability of AXA PPP healthcare to pay benefits under this Agreement is limited to **treatment** received during the period for which the premium has been received by AXA PPP healthcare. In the event that any part of the premium remains unpaid for more than five days after it has become due and payable AXA PPP healthcare may suspend payment of benefits until such time as the outstanding premium is paid.
- 7.2 Without prejudice to the provisions of Clause 7.1 AXA PPP healthcare may at its discretion continue to make payment of benefits to **members** where the premium for the relevant period remains outstanding if the **member** has incurred the **treatment** costs in good faith and the **company** has given AXA PPP healthcare no written reason to believe that the outstanding premium will not be paid. In such event if the agreement is then terminated the **company** shall within 14 days of being given written notice from AXA PPP healthcare refund to AXA PPP healthcare the full amount of any benefits paid for any period for which no premium has been received by AXA PPP healthcare.

8 Administration

- 8.1 As the purpose of the Agreement is to provide cover for eligible employees and **family members** the **company** undertakes to ensure that any revised handbook terms or **benefits tables** sent by AXA PPP healthcare to the **company**, or any notice sent by AXA PPP healthcare to the **company** relating to the cover, are issued without delay to all eligible employees.
- 8.2 The **company** undertakes that it will advise all eligible employees immediately if for any reason this Agreement should not be renewed or this Agreement should be terminated in accordance with the provisions of clause 6 above so that such eligible employees are made aware that all cover has ceased and that benefits will not be payable in respect of eligible employees or **family members**.
- 8.3 The **company** hereby indemnifies AXA PPP healthcare from and against any and all costs, losses and expenses incurred by AXA PPP healthcare consequent upon any failure by the **company** to discharge its obligations under this Agreement.

- 8.4 The **company** shall designate a responsible person ("the Group Secretary") to administer this Agreement in accordance with its terms and any guidance issued by AXA PPP healthcare from time to time and shall notify AXA PPP healthcare, in writing, of any change in the person designated.
- 8.5 The **company** shall remain responsible for ensuring its obligations under this Agreement are fully discharged notwithstanding that all or any part of those obligations are delegated to an intermediary or agent who shall be deemed to be the agent of the **company**.
- 8.6 The **company** shall advise **us** immediately if it goes into liquidation or becomes bankrupt, or if an administrator or receiver or an administrative receiver is appointed in respect of all or any part of the business or assets of the **company**.

9 General

- 9.1 AXA PPP healthcare may alter the handbook terms or **benefits table** from time to time but no alteration shall take effect until the next annual renewal of this Agreement. AXA PPP healthcare shall notify such changes to the **company** and to the **members** (either directly or via the **company**) in writing.
- 9.2 AXA PPP healthcare may amend the terms of this Agreement from time to time (subject to giving 60 days prior notice in writing to the **company**) to reflect any changes in Insurance Premium Tax or any levy or imposition made under any legislation or regulation to which AXA PPP healthcare or any insurance under the Agreement may from time to time be subject.
- 9.3 AXA PPP healthcare reserves the right to revise or discontinue the **policy** with effect from any renewal date.
- 9.4 This Agreement can only be varied in writing. No variation will be admitted unless it is in writing and signed on behalf of AXA PPP healthcare by an authorised employee.
- 9.5 Any notice to be sent under this Agreement must be in writing and be sent either by post or by facsimile machine and shall be considered to have been given if sent to AXA PPP healthcare at PPP House, Vale Road, Tunbridge Wells, Kent TN1 1BJ or the **company** at its normal place of business or registered office (if different) on the day after it was posted or, if sent by facsimile machine, at the time of despatch.
- 9.6 The waiver by AXA PPP healthcare of any breach of any term or condition of this Agreement shall not prevent the subsequent enforcement of that term or condition and shall not be deemed to be a waiver of any subsequent breach.
- 9.7 The introduction of any change by AXA PPP healthcare in interpretation or practice in respect of any term or condition of the handbook shall not prevent the subsequent enforcement of that term or condition and shall not be deemed to form a precedent for any subsequent interpretation or practice.

10 Governing law

This Agreement shall be governed by and construed in accordance with the Laws of England and Wales and the parties agree to submit to the jurisdiction of the English courts.