

ANNEX I

To Request for Proposals (RFP) N° PCD/09/021



Terms of Reference for the Provision of Life Insurance for WIPO Staff and Dependents

TERMS OF REFERENCE

1. Subject of the contract

The purpose of the WIPO and UPOV Group Life Insurance Plan is to guarantee to insured persons the payment of a capital sum in the event of death or permanent disability in case of illness. Membership is optional. It covers all risks including AIDS, but excluding death or disability as a result of accidents. The geographical scope of coverage is worldwide.

2. Insurable persons

Staff members of WIPO and UPOV and their spouses:

Definition of “spouse”: if a marriage, domestic or same-gender partnership is legally recognized under the laws of the country of nationality of the staff member, the staff member’s partner shall be considered to have the status of his/her spouse under the insurance contract.

3. Admission formalities

For staff members:

- Insurable persons of less than 55 years of age may join by means of a simple application for membership submitted to WIPO during the first two months following the date of their recruitment, providing they do not subscribe to insured capital of more than CHF 500,000. They will enjoy coverage as from the date stated on the application for membership.
- Insurable persons who have reached the age of 55 and insurable persons who have not submitted an application for membership during the first two months following the date of their recruitment will be required to submit a “declaration of health status”.

For spouses of insured staff members:

- Acceptance of the spouse of an insured staff member is subject to a “declaration of health status”;
- The spouse can only be covered for death up to a maximum of 50 per cent of the staff member’s insured capital sum.

4. Insured capital

Upon commencement of membership, an insurable person must choose the capital sum for which he wishes to be guaranteed.

This sum is a multiple of CHF 50,000 - up to a maximum of CHF 1,000,000. It may be increased at any time at the request of the insured person up to the maximum of CHF 1,000,000.

Applications for an increase are subject to the submission of a “declaration of health status”.

On retirement, the guaranteed capital is reduced to a maximum of CHF 500,000. In addition, the insured capital is reduced by 10 percent at each birthday of the insured person following the date of retirement. Such a reduction does not affect the amount of the premium paid by the insured person.

5. Sub-standard risks

If the “declaration of health status” reveals significant health problems, additional medical examinations may be required by the insurer in order to determine whether membership can be accepted or not; the acceptance of a sub-standard risk may be subject to an additional premium determined by the insurer.

6. Permanent disability

- In the case of permanent disability with a degree of disability of at least 66 percent resulting from the contractual table, the insurer will pay out the total amount insured in case of death. Such payment will terminate the death insurance.

At present, the degree of disability is currently determined from the following table depending on the:

- ° physical or mental functional incapacity;
- ° professional incapacity.

Bidders are asked to submit a proposal on the basis of this table. In addition, they may submit an alternative table.

- Once it has been recognized that the permanent disability of the insured person does not derive from an excluded risk, the Insurer will pay the capital sum insured in the case of death according to the degree of disability resulting from the contractual table and further regulations set out in Chapter III, Article 1 of the current policy (see attached Annex II, *WIPO Administrative Manual: Collective Life Insurance*).
- The risk of permanent disability is insured in all cases in which the risk of death is covered but cannot be covered without the risk of death.
- Disability caused intentionally by the insured person by injuring himself or attempted suicide is excluded.
- Disability coverage ceases automatically at the date on which the insurance coverage for death expires and, at the latest, at the date on which the insured person terminates his employment in order to take up retirement.

7. Premium

The annual premium is to be defined as a percentage of the total sum insured. It is payable monthly on the due date by WIPO and is deducted from the staff member's salary.

At present, the contract provides for a single premium expressed as a percentage of the sum insured without consideration of the age of the insured person; WIPO requests proposals to be based on the same principle. However, bidders are free to propose an **additional** alternative based on age brackets.

For further details of policy terms and conditions to be taken into account for your proposal, please refer to *WIPO's Administrative Manual: Collective Life Insurance* as attached in Annex II.

For statistics on insured persons, please see Annex III. No claim has been registered since the beginning of the contract, i.e. January 1, 2000.