

Cross-Border Business Policy

Adviser Guidance for New Business

Summary

The aim of this document is to provide guidance to Advisers on Zurich's approach to accepting individual new business from customers who may have connections (address or nationality) with countries other than the United Kingdom. This document does not include guidance on corporate policies or those held in trust.



Due to explicit restrictions on US persons (definition below), we've included a separate section in this document to clearly confirm what is and is not permitted when selling new life products. Please note that the Adviser Terms of Business and our product Terms and Conditions do not cover the cross-border requirements in detail, hence the construction of this document to provide additional clarity and provide better support to the Adviser/customer journey.

Additional guidance will be released in due course to support Adviser queries regarding existing individual business where there is a subsequent change in customer circumstance, as well as for corporate policies or those held in trust.

Background on Cross-Border Business Policy (CBBP)

Zurich has a defined approach for cross-border business that covers both the initial sale as well as ongoing servicing of life insurance, investment and pension products provided by Zurich Assurance Ltd (ZAL). This document covers 'individual new business' only.

For ZAL business 'Cross-Border' is where the Policyholder is resident or incorporated in a country other than the UK, or if the Life Insured is resident in a country other than the UK.

The CBBP applies to all new, renewed or changed contracts after 1st December 2015. Policies sold prior to this date may fall under a different policy (such as Zurich's Business Acceptance Policy), unless the policy is subsequently altered after the date above. In general, the principle of not allowing cross-border business at the point of sale has remained the same for several years.

New Business

All ZAL products are suitable for UK resident customers only. All products are sold via the Life Protection Platform (LPP).

UK Resident Definition: A UK resident must be habitually resident in the UK for a minimum of 6 months and be resident in the UK for tax purposes. Habitually resident means the UK is their centre for economic, domestic and social interests. A crown employee, or spouse or civil partner of a crown employee serving overseas are considered UK resident.

The UK is defined as the United Kingdom of England, Northern Ireland, Scotland and Wales. The UK does not include the Isle of Man or the Channel Islands.

United States Guidance

A US Person cannot purchase a pension or investment policy (via ZIP) even if they are UK Resident. However, a US National can purchase a new life insurance policy (via LPP) as long as they are UK Resident.

To assist in identifying if your customer is eligible for a Zurich policy, Zurich has provided a set of defined terms that have been taken from various sources such as the IRS, HMRC, CBBP and our Supplemental Controls policy. We highlight that this is our interpretation of the various authority/policy definitions based on our products and internal control framework.

US Term	Definitions
US Person	An individual who meets any of the defined terms within this table.
US Citizen	<p>You are a US citizen if you are any of the below:</p> <ul style="list-style-type: none">• An individual born in the US or in a US territory• An individual whose parent is a US citizen• A former alien who has been naturalized as a US citizen <p>A US citizen must formally revoke their citizenship with the 'US Citizenship & Immigration Service' to fully sever all ties to the US.</p>
US National	An individual who owes his sole allegiance to the United States. This includes someone who was born in the US or has US parents, but doesn't live in the US.
Green Card Holder	An individual who has successfully applied to the US Citizenship & Immigration Service for a 'Green Card' and received legal permanent residency in the US. A Green Card Holder is required to file their income tax returns and report any additional income, received in or out of the US, to the IRS.
US Resident	A person who has a permanent home or habitual abode in the US, or currently resides outside the US but intends to become a resident of the US within the life cycle of the contract.
US Territories	Any of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico, Columbia, or the US Virgin Islands.

Further Information

If you are unable to establish whether an application would be accepted or not after following this guidance, a cross-border business referral can be made to the **Cross Border Queries mailbox** or by calling **0370 6092178**.

HMRC Practice

The information provided within this document is based on Zurich UK's understanding of current HM Revenue & Customs practice (HMRC). Taxation law and HMRC practice may change from time to time and such changes cannot be foreseen. If there is any change in law or taxation that subsequently impacts this guidance, Zurich UK reserve the right to update this document and we will inform you of any such change at the first practicable opportunity.

This document should be used by Advisers only and does not constitute as legal advice.

For use by professional financial advisers only. No other person should rely on, or act on any information in this document when making an investment decision.

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