

Income Assured Plus



Cirencester friendly
The income protection people

SCHEDULE 2 – RULES OF THE
INCOME ASSURED PLUS CONTRACT

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SCHEDULE 2

Income Assured Plus

(being the Rules of the Income Assured Plus contract as registered with the Financial Services Authority on 18 September 2006 and which replace in their entirety from 1 October 2006 the former Rules of the Income Assured contract)

PART A – General - Definitions and Interpretation



*In this Schedule
the following definitions of terms and expressions
shall have the meanings specified wherever the same appear in italics*

Definitions

Accident	An event resulting in any sudden bodily injury visible to the naked eye effected solely through external, violent and accidental means and where the nature of the injury is such that the Member would, subject to the provisions of these Rules, be entitled to receive Sick Pay on sustaining it
Accident Sick Pay	Sick Pay payable to a Member who elects to take Accident Protection
Accident Protection	The part of this Scheme under which Members holding Deferred Contracts may provide for the payment of Accident Sick Pay during the relevant Deferred Period
Actuarial Function Holder	The actuary appointed by the Society from time to time to perform the actuary function as defined at CF12 in the table of controlled functions prescribed by the Financial Services Authority or any successor provision thereto
Benefits	Benefits payable to Members under this Scheme
Board	For the purposes of this Scheme the term Board shall mean the Committee of Management of the Society as referred to in the General Rules
Bonus Allocation	The bonus based on the Member's Credit , determined by the Board acting on the advice of the With-Profits Actuary , for each complete day the Member's Credit has remained in the hands of the Society during the Financial Year without compounding
Commuted Bonus	In the case of a Member who has opted not to receive Sick Pay the percentage of Premiums placed to the Member's Credit by the Board , acting on the advice of the With-Profits Actuary , which shall not exceed 100% of the Premiums paid by the Member to the Society during the Financial Year under the Tables (referred to in Part C of these Rules) to secure Commuted Bonus
Day One Contract	The contract between the Society and a Member who has elected to join the part of this Scheme which pays Sick Pay from the first day of Disabling Illness provided the period of Disabling Illness exceeds three consecutive days
Day One Scheme	The part of this Scheme which subject to these Rules, pays Sick Pay from the first day of Disabling Illness
Deferred Contract	The contract between the Society and a Member who has chosen to join a Deferred Sickness Benefit Scheme



Deferred Sickness Benefit Scheme	The part of this Scheme , which subject to these Rules does not under the Tables (referred to in Part C of these Rules) provide for payment of Sick Pay from the first day of Disabling Illness and defers the start of payment of Sick Pay
Deferred Period	The period of Disabling Illness under any Deferred Sickness Benefit Scheme during which Sick Pay is not payable under the Table applicable to the particular part of this Scheme
Deposit Interest	Interest on the Member's Credit on Deposit with the Society pursuant to Rule L 1.2
Deposit Interest Rate	The rate or rates of Interest fixed from time to time by the Board acting on the advice of the With-Profits Actuary
Disabling Illness	Any illness, injury, incapacity or disease which results in the Member being entitled to Sick Pay so long as such Member continues to satisfy the Own Occupation Disability Condition, Own/Own Suited Occupation Disability Condition or Houseperson Disability Condition which is appropriate to the Member and for which he has opted to receive Benefits under this Scheme
Doctor	A duly qualified and registered General Practitioner
Earnings	<p>For Members who are employed, pre-tax earnings for PAYE assessment purposes, as shown on Inland Revenue form P60, plus benefits in kind, as shown on Inland Revenue form P11D, or equivalent in the case of earnings in other member states of the European Union, in the 12 month period immediately preceding the commencement of the Disabling Illness</p> <p>For Members who are employed within a private limited company in which the Member and not more than 3 other shareholders are employed as full time working directors, earnings shall also include dividends received from the company's normal, regular business during the 12 month period immediately preceding the commencement of the Disabling Illness and which represent the Member's share in the net trading profit</p> <p>For Members who are self-employed, share of pre-tax profit for the purposes of Schedule D Case I and II of the Income and Corporation Taxes Act 1988, or equivalent in the case of earnings in other member states of the European Union, in the 12 month period immediately preceding the commencement of the Disabling Illness</p> <p>Income from savings, drawings and investment, except for dividends as described above will not be accepted as earnings</p>
E.U.	The United Kingdom of Great Britain and Northern Ireland, other member states of the European Community and also includes for the purpose of these Rules the Channel Islands and the Isle of Man
Excluded Period	For a Member of a Deferred Sickness Benefit Scheme , the Deferred Period and for a Member under a Day One Contract the first 3 or less consecutive days of Disabling Illness if the Disabling Illness only lasts for those 3 consecutive days or less
Financial Year	1 st January to 31 st December inclusive (being the Society's financial year)
Former Member	A person who has ceased in accordance with these Rules to be a Member of the Society under this Scheme



<i>Houseperson Disability Condition</i>	Applies where the <i>Member</i> is totally unable, by reason of <i>Disabling Illness</i> , to perform by themselves (even with the use of aids or appliances) the core duties of their home being cooking, cleaning, shopping, washing and ironing and being confined to a Hospital, or other such recognised medical establishment, or to their home under medical supervision and is not engaged in any other type of work whatsoever
<i>Houseperson Benefit</i>	The benefit payable to a <i>Member</i> so long as he satisfies the <i>Houseperson Disability Condition</i> and which (1) in the case of an existing <i>Member</i> to which the <i>Houseperson Disability Condition</i> applies before the date the amendment to these Rules is registered shall not exceed 10 <i>Units</i> and (2) in the case of a <i>Member</i> to which the <i>Houseperson Disability Condition</i> applies joining <i>this Scheme</i> after the date the amendment to these Rules is registered shall not exceed 5 <i>Units</i>
<i>Member</i>	A <i>Member</i> of the <i>Society</i> to whom <i>Units</i> have been allotted under <i>this Scheme</i>
<i>Member's Credit</i>	The amount standing to the credit of a <i>Member</i> in the books of the <i>Society</i> from time to time
<i>Member's Doctor</i>	The <i>Doctor</i> with whom a <i>Member</i> is registered or a <i>Doctor</i> with whom the <i>Member</i> consults for the purpose of obtaining any certificate or other evidence of health pursuant to these Rules
<i>Own Occupation Disability Condition</i>	Applies where the <i>Member</i> is totally unable, by reason of <i>Disabling Illness</i> , to perform the occupation or occupations engaged in by the <i>Member</i> in the period of 12 months immediately preceding the onset of the <i>Disabling Illness</i> and is not following any other occupation whatsoever
<i>Own /Own suited Occupation Disability Condition</i>	Applies where the <i>Member</i> is totally unable, by reason of <i>Disabling Illness</i> , to perform the occupation or occupations engaged in by the <i>Member</i> in the period of 12 months immediately preceding the onset of the <i>Disabling Illness</i> and is not following any other occupation whatsoever. If the <i>Disabling Illness</i> shall have persisted for 12 months in respect of a <i>Day 1 Contract</i> , or 12 months plus the period of deferment in respect of a <i>Deferred Contract</i> , it shall only be deemed to continue if the <i>Member</i> is unable to follow any occupation for which he is suited by reason of training, education or experience
<i>Premiums</i>	The amount payable by a <i>Member</i> to the <i>Society</i> to secure <i>Benefits</i>
<i>Prescribed Form</i>	Any form required to be completed for the <i>Society</i> as referred to in these Rules in connection with any application for membership or the exercise of any option available to a <i>Member</i> under any Part of these Rules
<i>RPI Option</i>	The option to have <i>Units</i> increased under Part F of these Rules
<i>Schedule 1 Members</i>	A <i>Member</i> of the <i>Society</i> to whom a Share has been allotted and is still held under Schedule 1 of the General Rules
<i>Schedule 1 Scheme</i>	The <i>Society's</i> Sickness Benefit Scheme under Schedule 1 of the General Rules
<i>Selected Retirement Age</i>	The age chosen by a <i>Member</i> from those ages which are available under Rule B 4 of these Rules or any subsequent choice of retirement age chosen by a <i>Member</i> pursuant to Rule B 11 of these Rules and references to selected maturity date shall be construed to like effect
<i>Sick Pay</i>	<i>Sick Pay Benefit</i> payable to <i>Members</i> (including in the case of a <i>Member</i> whose entitlement to <i>Benefits</i> depends on satisfying the <i>Houseperson Disability Condition, Houseperson Benefit</i>)



<i>Society</i>	Cirencester Friendly Society Limited whose Registered Office is at 5 Dyer Street, Cirencester, Gloucestershire GL7 2PP or such other registered address as may be applicable from time to time
<i>Society's Medical Adviser</i>	Any registered medical practitioner or health professional appointed by the <i>Society</i>
<i>Society's Members</i>	The <i>Members</i> of the <i>Society</i> with <i>Day One Contracts</i> and <i>Deferred Contracts</i> along with <i>Members</i> who have opted to pay <i>Premiums</i> without participating in the right to claim <i>Sick Pay</i> and those entitled to claim <i>Houseperson Benefit</i> under these Rules along with <i>Members</i> of the <i>Society</i> under any other scheme which may in the future be added by way of a further Schedule to the General Rules
<i>Society's Representative</i>	An employee of the <i>Society</i> , the <i>Society's Medical Adviser</i> or other persons authorised to act on behalf of the <i>Society</i>
<i>Surplus Allocation</i>	The amount of bonus placed to a <i>Member's Credit</i> at a rate per <i>Unit</i> determined by the <i>Board</i> acting on the advice of the <i>With-Profits Actuary</i> but which is not earned during any period when the <i>Member</i> has opted only to receive <i>Sick Pay</i> or has commuted his right to receive <i>Sick Pay</i> and <i>Surplus Allocations</i> in favour of <i>Commutated Bonus</i>
<i>Terminal Illness</i>	Advanced or rapidly progressing incurable <i>Disabling Illness</i> which in the opinion of the <i>Member's</i> attending Consultant and the <i>Society's Medical Adviser</i> is likely to result in death within 12 months of the initial diagnosis of the <i>Disabling Illness</i>
<i>This Scheme</i>	The <i>Day One Scheme</i> and the <i>Deferred Sickness Benefit Scheme</i> , as it applies to the <i>Member</i> under these Rules together with <i>Benefits</i> payable to any <i>Member</i> entitled to claim <i>Houseperson Benefit</i> and <i>Members</i> who have opted to pay <i>Premiums</i> without participating in the right to claim <i>Sick Pay</i>
<i>Underwriting</i>	The process whereby the <i>Society</i> determines whether or not and on what basis it will accept any application made to it (as to which the <i>Society</i> will be entitled to exercise of its absolute and unfettered discretion and shall not be required to provide any reasons for any particular exercise of its discretion, which may include, in the case of applicants, varying the terms of admission, or variation, or amendment of existing membership by excluding and/or restricting the extent of cover or charging additional <i>Premiums</i>)
<i>Unit</i>	A measure used to determine <i>Premiums</i> and <i>Benefits</i> under <i>this Scheme</i>
<i>Unitholding</i>	The number of <i>Units</i> held by a <i>Member</i>
<i>With-Profits Actuary</i>	The actuary appointed by the <i>Society</i> from time to time as its <i>With-Profits Actuary</i> to perform the <i>With-Profits Actuary</i> function as defined at CF12A in the table of controlled functions prescribed by the Financial Services Authority or any successor provision thereto

Interpretation

Words used in these Rules in the singular include the plural, and words in the plural include the singular as appropriate.

Gender specific terms used in these Rules include both genders.

In these Rules references to "occupation" mean the carrying on of a trade, profession, occupation, vocation or any other work from which the **Member** derives his **Earnings**.

Reference in this Schedule to a Part when referring to the Rules means a Part of this Schedule 2.

PART B – Terms of Admission, **Member's Options** and General Duties of **Members**

Terms of Admission

- 1 Any application for membership or variations or amendments of existing membership shall be made in writing in the **Prescribed Form** and shall be forwarded to the Registered Office of the **Society** and shall be subject always to Rules 7 and 20 below.
- 2 On application for membership the applicant must:
 - 2.1 be a resident of the United Kingdom and have no immediate intention to move or work abroad;
 - 2.2 elect to pay **Premiums**, in accordance with the relevant Table, which secure either an entitlement to **Sick Pay** only or confer a right to claim **Sick Pay** and to participate in the receipt of any **Surplus Allocation** and **Bonus Allocation**;
 - 2.3 specify the **Day One Scheme** or which of the **Deferred Sickness Benefit Schemes** apply;
 - 2.4 specify which of the **Own Occupation Disability Condition, Own/Own Suited Occupation Disability Condition or Houseperson Disability Condition** definitions set out above shall apply so as to determine whether the **Sick Pay Benefits** available under these Rules shall become payable in the event of the **Member** satisfying the specified condition; and
 - 2.5 be able to provide a minimum of the last 5 years of medical history from a UK Doctor.
- 3 Subject to the following terms any person of sound health who is 16 years of age or over and whose birthday falls not later than 5 years before he would attain age 65 or State retirement age, whichever is the higher, shall be eligible for membership of the **Society**.
- 4 At entry any applicant for membership shall choose a **Selected Retirement Age** of either:
 - 4.1 50 or any anniversary of his 50th birthday up to a date not later than age 65 or State retirement age whichever is the higher; or
 - 4.2 such other age or ages as may be determined by the **Board** from time to time (save that in each instance the date shall allow for a minimum term of not less than 5 complete years duration prior to the retirement age selected).
- 5 The maximum **Sick Pay** payable shall be (1) 60% of **Earnings** (or such other percentage of **Earnings** as may be determined by the **Board** from time to time acting on the advice of the **Actuarial Function Holder**) less the value of:
 - 5.1 any continuing **Earnings** (including Inland Revenue P11D benefits);
 - 5.2 any income protection benefit from other providers;
 - 5.3 any early retirement pensions payable through ill health to the **Member**;
 - 5.4 any Department of Works and Pension benefits and unearned income which is not dependent upon the **Member** working (at the discretion of the **Society**);
 - 5.5 any other insurance against incapacity by illness or accidental injury which provide regular payment to the **Member** or Waiver of Premium payment due from the **Member** (at the discretion of the **Society**).or, if lower than the above, (2) the level of cover available to a **Member** from time to time corresponding to the level of **Units** selected.

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- 6 Under these Rules the **Society** shall have the right to require from any person applying for membership of **this Scheme**:
- 6.1 a medical report at the cost of such person from such person's **Doctor**;
 - 6.2 a birth certificate;
 - 6.3 such evidence of employment or occupation and **Earnings** as may be required;
 - 6.4 such evidence as may be required to enable the **Society** to discharge its duties under the Money Laundering Regulations regime;
 - 6.5 in the case of **Schedule 1 Members** on transfer to **this Scheme** the provisions of Rules 6.3 and 6.4 above only shall apply.
- 7 Each application for membership or variation or amendment of existing membership:
- 7.1 shall be subject to the **Society's Underwriting**; and
 - 7.2 shall be considered by the **Society** in the exercise of its absolute and unfettered discretion as to which it shall not be required to provide any reasons for any particular exercise of its discretion, which may include, in the case of applicants, varying the terms of admission by excluding or restricting the extent of cover or charging additional **Premiums**.
- 8 Upon admission to membership each **Member** shall be subject to the provisions of these Rules:
- 8.1 be allotted a number of **Units** in accordance with the level of **Premiums** payable by the **Member** (subject to a minimum initial allocation of 5 **Units**) and the level of **Benefits** receivable in accordance with the election made pursuant to Rule 2 above and as set out in the **Premiums** Tables issued from time to time by the **Society** and prevailing at the date of the application, subject to such minimum and maximum **Unitholding** as shall be determined by the **Society** from time to time;
 - 8.2 in the case of a **Member** who either opts to pay **Premiums** conferring a right to claim **Sick Pay Benefits** only, or who opts to claim **Sick Pay Benefits** and to participate in the receipt of any **Surplus Allocation** and **Bonus Allocation** thereafter entitled to apply to the **Society** to opt to pay **Premiums** in accordance with the relevant Table so as either (in the case of the former) to receive any **Bonus Allocation** payable to the **Member** without maintaining a right to claim **Sick Pay Benefits** or (in the case of the latter) to secure an entitlement to **Sick Pay Benefits** and **Bonus Allocation** only;
 - 8.3 be issued with a Certificate of Membership (which in the event of any variation or amendment of existing membership shall be replaced by the **Society** by a new Certificate of Membership).
- 9 In the event that an application for membership, or variation, or amendment of existing membership is declined or that an applicant exercising his cancellation rights in accordance with the requirements of the Conduct of Business Rules any **Premium or Premiums** paid by him to the **Society** in respect of the application for membership, or variation, or amendment of existing membership as applicable prior to the cancellation shall be refunded in full.
- 10 On attaining his **Selected Retirement Age** and in the case of a **Member** who is a **Member of this Scheme** at the date of registration of the amendment to these Rules with the Financial Services Authority, if he so chooses, the end of the **Financial Year** in which he attains his **Selected Retirement Age**, the **Member** shall be subject to the applicable provisions of Part L of these Rules.

Member's Options and Variations to terms of Membership

- 11 On completion of the **Prescribed Form** a **Member** may extend his **Selected Retirement Age** to any anniversary date of the original retirement date to a date not later than age 65 or State retirement age, whichever is the higher, provided that:
- 11.1 where the application for an extension is for a period of no more than one year, then at the discretion of the **Society** it may not apply **Underwriting** subject to such application not being made on more than two occasions; and
 - 11.2 in all other instances both at the date of the first and second application (if any) not less than 5 complete **Financial Years** shall remain until the earlier of the **Selected Retirement Age** or State retirement age and **Underwriting** shall apply.
- 12 On completion of the **Prescribed Form** a **Member** may reduce his choice of **Selected Retirement Age** subject to there remaining a minimum period of 5 complete years until the selected birthday and in the case of a **Member** who is a **Member of this Scheme** at the date of registration of the amendment to these Rules there remaining in the alternative a minimum period of 5 complete years until the end of the **Financial Year** in which the selected birthday is attained.

- 13 At any time after the second anniversary of the date of admission to membership a **Member** who opted to pay **Premiums** conferring a right to claim **Sick Pay Benefits** only or who opted to claim **Sick Pay Benefits** and to participate in the receipt of any **Surplus Allocation** and **Bonus Allocation**, may apply to the **Society** by completion of the **Prescribed Form** to give up the right to receive and claim **Sick Pay** in the event of **Disabling Illness** and pay **Premiums** in accordance with the relevant Table in order to participate in any **Commuted Bonus** which shall be added to the **Member's Credit**. Such **Member** shall then have no right to **Sick Pay Benefits** unless and until the **Member** applies to the **Society** to receive such **Benefits** pursuant to Rule 14 below.
- 14 A **Member** who:
- 14.1 has exercised the option provided under Rule 13 above, or
- 14.2 elected on admission to pay **Premiums** conferring a right to claim **Sick Pay Benefits** and to participate in any **Surplus Allocation** and **Bonus Allocation**, may at any time apply to the **Society** by completion of the **Prescribed Form** to pay **Premiums** in accordance with the relevant Table so as to provide for an entitlement to **Sick Pay Benefits** only (save that any **Member** already entitled to **Member's Credit** at the date of exercising such option shall remain eligible to receive **Bonus Allocation**).
- 15 A **Member** opting on admission to pay **Premiums** conferring a right to claim **Sick Pay Benefits** only may at any time apply to the **Society** by completion of the **Prescribed Form** to opt to pay an increased premium in accordance with the Tables so as thereafter to be entitled to have any **Surplus Allocation** and **Bonus Allocation** added to the **Member's Credit** in addition to maintaining a right to claim **Sick Pay Benefits**.
- 16 Subject to the completion of the **Prescribed Form**, a **Member** may at any time up to a date not later than the earlier of 5 years before State retirement age or **Selected Retirement Age** increase his **Unitholding** up to the maximum at any time during the **Financial Year**. A **Member** who wishes to increase his **Units** to a larger holding may be required at his expense to produce a medical report at the discretion of the **Board** unless such increase results directly from the **RPI Option** referred to in Part F of these Rules. The **Sick Pay** to which a **Member** may be entitled during the period of 30 days next after any such increase in his **Unitholding**, together with (if applicable) any **Deferred Period** in addition thereto, shall be calculated according to the Tables applicable to the lower of such **Unitholding**.
- 17 A **Member** may at any time during the **Financial Year** on completion and submission to the **Society** of the **Prescribed Form** reduce his **Units**, subject to the minimum of 5 **Units** prescribed under Rule 8.1 above.
- 18 Any **Member** whose entitlement to **Sick Pay Benefits** depends on satisfying one of the disability conditions specified pursuant to Rule 2.4 above may on completion and submission to the **Society** of the **Prescribed Form** opt to substitute a different condition as provided for in Rule 2.4 above provided that he has not submitted a claim to receive **Sick Pay** or is not receiving **Sick Pay Benefits** at the time. A **Member** may exercise this option in the manner indicated on any number of occasions.
- 19 Subject to the completion of the **Prescribed Form** a **Member** may apply to the **Society** to opt to substitute a **Day One Contract** with a **Deferred Contract** or vice versa or a **Deferred Contract** with another **Deferred Contract** provided he has not submitted a claim to receive **Sick Pay** or is not receiving **Sick Pay Benefits** at the time. A **Member** may exercise this option in the manner indicated on any number of occasions but shall not be permitted to reduce the period of deferment in the earlier of 5 years before State retirement age or **Selected Retirement Age**.
- 20 In the event of a **Member** applying to vary his terms of membership of the **Society** by completion of the **Prescribed Form** no such application will be entertained by the **Society** such as to result in an increase of morbidity risk to the **Society** in respect of any such applicant:
- 20.1 where he has made total claims in excess of 6 weeks during the 3 years immediately preceding the date of the application;
- 20.2 during any period when the applicant is claiming or in receipt of **Sick Pay** or not working.



The General Duties of *Members*

- 21 Each *Member* shall:
- 21.1 inform the *Society*, as soon as reasonably possible (and in any event within 2 calendar months), of any change in his circumstances, which may affect entitlement under the terms of *this Scheme* including by way of example (but not limitation):
 - 21.1.1 a material change in *Earnings* (a material change for this purpose representing any increase or decrease in *Earnings* in excess of 10% of the level of *Earnings* prior to such change);
 - 21.1.2 a change in the Country where the *Member* resides or in which a *Member* works, in either case where the change involves taking up residence or employment in a country outside the United Kingdom of Great Britain and Northern Ireland;
 - 21.1.3 a material change of occupation (whether the change is by way of alternative employment or a change in the manner in which the *Member* undertakes the duties and tasks of his employment or a change from employed to self-employed status or vice versa);
 - 21.1.4 unemployment; and/or
 - 21.1.5 retirement before reaching *Selected Retirement Age*.
 - 21.2 co-operate at all times in good faith with the *Society* in relation to all aspects of the administration of *this Scheme*;
 - 21.3 notify the *Society* as soon as practicable of the loss of any premium notice, voucher, certificate or other document evidencing any entitlement to the receipt of *Benefits* payable under *this Scheme*;
 - 21.4 provide on request by the *Society* proof of *Earnings* together with such evidence as the *Society* may reasonably require of a *Member's* entitlement to income from his occupation in the event of *Disabling Illness*;
 - 21.5 forthwith on demand repay to the *Society* and indemnify the *Society* against any overpayment of *Sick Pay* or any other *Benefits* in the event that the same shall have been so paid in error or as a result of an incorrect claim by the *Member* together with interest thereon at 2% over the Bank of England lending rate prevailing from time to time from the date of any request for repayment if not re-paid within 30 days thereof.

PART C ~ Premiums


- 1 **Premiums** payable under *this Scheme*, including the options under *this Scheme*, shall be paid to the **Society** in accordance with Tables adopted by the **Society** from time to time.
- 2.1 A Table shall be adopted by the **Society** if it is approved in writing by the **Actuarial Function Holder** and if approved by a resolution of the **Board**. Once adopted a Table, including any of the terms or provisions thereof, may only be altered by:
 - 2.1.1 a resolution of the **Society's Members** at a general meeting of the **Society**, or
 - 2.1.2 a resolution of the **Board**.
- 2.2 Any resolution to alter a Table or any part of a Table including the options under *this Scheme* shall specify whether the alteration applies to existing **Members** and/or new **Members** and shall in any event become effective as so specified from the date of registration of the amendment with the Financial Services Authority.
- 2.3 If a Table or any of the terms or provisions thereof, is altered by a resolution of the **Board** a resolution to approve the alteration shall be put to the next general meeting of the **Society**. If the resolution is not passed, the alteration shall cease to be acted upon from the conclusion of that general meeting, but the failure to pass such a resolution shall not invalidate any act or policy of the **Society** effected under the altered Table prior to that general meeting.
- 3 Copies of all current Tables shall be kept at the Registered Office and made available free of charge to any **Member** on request.
- 4 For the purpose of determining the rate of **Premiums** payable, every **Member** shall, upon admission to membership, be registered at his age attained in that **Financial Year**, which age shall be increased by 1 year on 1st January after the date of his admission and thereafter on 1st January each year. (The **Society** reserves the right to amend this basis of determining the rate of **Premiums** payable in consultation with the **Actuarial Function Holder**).
- 5 Each **Member** shall punctually pay the full amount of all **Premiums** due to the **Society** by such method of payment as the **Society** may prescribe (any partial payment of **Premiums** shall be accepted or rejected by the **Society** in its absolute discretion).
- 6 **Premiums** are due to be paid on the first day of each and every month. If a **Premium** has not been received by the **Society** by the 21st day of the month in question the **Member** shall be deemed to be in arrears.
- 7 A **Member** in arrears with his **Premiums** shall be sent a notice of arrears as soon as practicable. Any such **Member** being 3 calendar months in arrears shall have a final notice sent to him warning that if all the arrears are not paid within 1 calendar month of receipt of the notice and the **Premiums** brought up to date his membership shall be subject to the provisions of Rule P 2. Any notice of arrears sent by pre-paid post shall be deemed to have been received in accordance with General Rule 29.
- 8 Where a **Member** is in arrears **Premiums** received shall be applied first in paying **Premiums** (or any part thereof) which have been outstanding for the longest time. Subject to the provisions of Part M of these Rules entitlement to all **Benefits** shall cease until all arrears have been received by the **Society**.
- 9 If there is a dispute as to whether or not the **Society** has received a **Premium** or **Premiums** or any part thereof the **Member**, when required, shall produce to the **Society** any premium notice, **Prescribed Form**, copy bank statement or such other evidence of payment as the **Society** may reasonably require.
- 10 Unless otherwise agreed **Members** shall pay **Premiums** by Direct Debit by completing the **Prescribed Form**. The **Society** will not be responsible for the acts or defaults of the **Member's** Bank in not carrying out any instructions on the completed **Prescribed Form**.

- C
- 11 If a person, not being the **Member** to whom it shall belong, shall come into or take possession of any premium notice, voucher, certificate or other document, and shall as a result receive any payment from the **Society**, neither the **Society** nor any officer shall be liable to the true owner, unless notice of the loss of the premium notice or other document shall have been previously given to the **Society** in writing, but the payment so obtained shall be deemed to have been paid to the **Member** whose premium notice or other documents shall have been so produced.
 - 12 The **Society** reserves the right from time to time to request proof of **Earnings** from **Members** and evidence of a **Member's** entitlement to income from his occupation in the event of **Disabling Illness** in order to verify that the limit prescribed in Rule B 5 of these Rules remains appropriate and that the commencement of **Sick Pay** remains applicable to a **Member's** circumstances. To prevent over insurance the **Society** reserves the right to reduce a **Member's Unitholding** or alter a **Member's** contract to an appropriate **Deferred Contract** to reflect any material change in the **Member's** circumstances pursuant to Rule B 21.
 - 13 For the avoidance of doubt, any references herein to receipt of any payment by the **Society** due from a **Member** refers to the crediting of the **Society's** account with such payment by way of unreversed cleared funds.

D

PART D – *Benefits of Sick Members*

- 1.1 Any **Member** other than:
 - 1.1.1 a **Member** who has exercised the option specified under Rule B 13;
 - 1.1.2 a **Member** who is retired; or
 - 1.1.3 a **Member** who is unemployed;shall be entitled for so long as he satisfies the disability condition specified for the purposes of Rule B 2.4 or varied under Rule B18 and subject always to Rules 2.1, 3.1 and 3.2 below to claim **Sick Pay** at the rate per **Unit** determined by the Tables adopted by the **Society** from time to time under which the **Member** is contributing provided that no such claim shall be met during any **Excluded Period**.
- 1.2 Any change in the amount of **Sick Pay** payable under the Tables shall be subject to the same procedure as set out in Rule C 2 of these Rules.
- 1.3 In accordance with the above and depending upon the disability condition for payment of **Sick Pay** specified by the **Member** and prevailing at the date of any claim, the **Member** will be eligible under and subject to the other provisions of these Rules to receive:
 - 1.3.1 in the case of a **Member** who has specified the **Own Occupation Disability Condition**, **Sick Pay** at a level rate calculated in accordance with Rule B 5 for the first 12 months of the period of claim, thereafter at 75% of the initial rate during the next 12 month period of claim and thereafter at 50% of the initial rate but in all cases only so long as the **Member** continues to satisfy the **Own Occupation Disability Condition**;
 - 1.3.2 in the case of a **Member** who has specified the **Own/Own Suited Occupation Disability Condition**, **Sick Pay** at a level rate calculated in accordance with Rule B 5 for the first 12 months of the period of claim and thereafter continuing only for so long as the **Member** continues to satisfy the **Own/Own Suited Occupation Disability Condition**;
 - 1.3.3 in the case of a **Member** who has specified the **Houseperson Disability Condition** or is treated as entitled to claim **Benefits** pursuant to Rule M 5, at the rate calculated in accordance with the **Houseperson Benefit** and for so long as he continues to satisfy the **Houseperson Disability Condition**.
- 2.1 Subject to Rule 2.2 below in order to claim **Sick Pay** a **Member holding a Day One Contract** or a **Deferred Contract** where the **Deferred Period** is 4 weeks or less shall give notice by letter or telephone within 7 days to the Registered Office of the **Society** and substantiate his claim by:
 - 2.1.1 forwarding to the **Society** a satisfactory original **Doctor's** certificate from the first day of **Disabling Illness** and by completing the **Prescribed Form** which shall be sent to the **Society** within 14 days of the date of commencement of **Disabling Illness**, and
 - 2.1.2 within the same time period of 14 days forwarding to the **Society** documentary proof of the **Member's Earnings** current at the date of claim complying with the requirements of Rule 2.6 below. The **Society** reserves the right to waive the requirement to submit a medical certificate for those **Members** holding no more than 5 **Units** for claims not exceeding 7 days.

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- 2.2 For a **Member** holding a **Deferred Contract** where the **Deferred Period** exceeds 4 weeks any claim for **Sick Pay** shall be subject to the **Member** giving notice to the **Society** in the manner prescribed above of any **Disabling Illness** which is likely to give rise to a claim within 1 calendar month of its commencement. In order to substantiate the claim the **Member** must forward to the **Society**:
- 2.2.1 a satisfactory original **Doctor's** certificate from the first day of **Disabling Illness** and the completed **Prescribed Form** not less than 1 calendar month before the expiry of the relevant deferred period together with;
 - 2.2.2 documentary proof of the **Member's Earnings** current at the date of the claim complying with the requirements of Rule 2.6 below.
- 2.3 Subject to Rule 2.5 below in cases where the **Board** is satisfied that delay in promptly sending in the certificate or otherwise complying with the requirements of Rules 2.1 and/or 2.2 above, is clearly due to the relevant **Member's** sudden **Disabling Illness**, removal to hospital, serious accident or other exceptional cause, it may (but shall not be obliged to) grant an extension of time, not exceeding 10 working days in addition to the time permitted pursuant to Rules 2.1 and/or 2.2 above as the case may be, in order that the **Member** or someone on his behalf may forward the certificate and proof of the **Member's Earnings** without incurring loss of **Benefits** for late delivery to the **Society** as prescribed in Rule 2.5 below.
- 2.4 The **Society** shall always have the right to have any **Member** claiming or in receipt of **Sick Pay** independently examined by the **Society's Medical Adviser**. In the event of such **Member's** refusal to be examined by the **Society's Medical Adviser**, Rule 7 below shall apply.
- 2.5 If any **Member** who is entitled to claim **Sick Pay** by virtue of contributing for that **Benefit** fails to notify the **Society** (in accordance with any of the above provisions) of his wish to claim **Sick Pay** or fails to supply a **Doctor's** certificate or complete the **Prescribed Form** or fails to provide documentary evidence of the **Member's Earnings** he shall, unless the **Board** shall otherwise determine, not be entitled to payment of **Sick Pay** in respect of any period during which he was in default and so that any entitlement during such period shall lapse.
- 2.6 For the purposes of providing satisfactory evidence of **Earnings** pursuant to the above Rules, the **Member** shall supply the following:
- 2.6.1 in the case of an employed **Member**: Original documentary evidence covering the 12 month period immediately preceding onset of **Disabling Illness** in the form of printed payslips, most recent Inland Revenue Form P60 and Inland Revenue form P11D and/or equivalent in the case of **Earnings** in other member states of the **E.U.**;
 - 2.6.2 in the case of a self employed **Member**: Original documentary evidence covering the 12 month period immediately preceding onset of **Disabling Illness** in the form of most recent business accounts and latest Inland Revenue tax computation (not statement); and
 - 2.6.3 in the case of **Members** who are employed within a private limited company in which the **Member** and not more than 3 other shareholders are employed as full time working directors: Original documentary evidence covering the 12 month period immediately preceding onset of **Disabling Illness** in the form of printed payslips, most recent Inland Revenue Form P60 and Inland Revenue form P11D and/or equivalent in the case of **Earnings** in other member states of the **E.U.** and such other original documentary evidence of **Earnings** that the **Society** may require; in this instance, **Earnings** shall also include dividends received from the company's normal, regular business during the 12 month period immediately preceding the commencement of the **Disabling Illness** and which represent the **Member's** share in the net trading profit.
- 3.1 The payment of **Sick Pay** shall be made on the 15th day and the last day of each month or such other dates as determined by the **Board** from time to time.
- 3.2 Where a **Member** fails to comply with the duty under Rule B 21.5 the **Society** shall be entitled to recover the amount of any unreturned overpayment by deduction from and set-off against a **Member's Credit** or any **Benefits** due to such **Member**.



- 4 **Sick Pay** shall not be paid in respect of:
- 4.1 An **Excluded Period**;
 - 4.2 Any claim where a **Member** does not satisfy the **Own Occupation Disability Condition, Own/Own Suited Occupation Disability Condition or Houseperson Disability Condition** for which the **Member** has opted under **this Scheme**;
 - 4.3 Any **Disabling Illness** directly or indirectly arising from addiction to or abuse of drugs, prescribed or otherwise, solvents or alcohol;
 - 4.4 Sterilisation, or any consequences thereof, chosen to be undergone by a **Member** otherwise than on grounds of medical necessity;
 - 4.5 **Disabling Illness** arising directly or indirectly from or aggravated by pregnancy, childbirth or associated medical complications (including for example, post natal depression);
 - 4.6 Any medical or surgical treatment, or any consequences thereof, which is not, in the opinion of the **Society** or the **Society's Medical Adviser**, considered necessary for the **Member's** health;
 - 4.7 Any self-inflicted **Disabling Illness** such as but not confined to an injury directly or indirectly arising from attempted suicide, intentional self injury, intoxication from alcohol or solvents or accidents arising therefrom or exposure to unnecessary danger (except in an attempt to save human life) or self-inflicted **Disabling Illness** caused while being in a state of insanity;
 - 4.8 Injuries arising from the **Member's** criminal conduct;
 - 4.9 Any **Disabling Illness** (including by way of example and not limitation, any post traumatic stress disorder or personality adjustment disorder) or other injury in either case directly or indirectly arising from war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, insurrection, terrorism or military or usurped power;
 - 4.10 Abortion (other than an abortion certified by the **Member's** treating surgeon as necessary to save the mother's life) or any **Disabling Illness** relating thereto or resulting therefrom;
 - 4.11 AIDS, HIV positive cases and sexually transmitted diseases except as mentioned in Rule 5 below.
- 5 The **Board** may exercise their discretion under General Rule 8(7) and resolve that **Sick Pay** shall be paid to a **Member** who is suffering from AIDS, HIV positive condition or a sexually transmitted disease through no fault of the **Member** if evidence is afforded to the **Board** by the **Society's Medical Adviser** to such effect. The **Society** may in such circumstances pay **Sick Pay** for a specified duration and/or set a special rate of **Sick Pay** (not exceeding the maximum applicable rate under these Rules) in such cases generally or in respect to any individual **Member**.
- 6 A **Member** wishing to claim any **Benefit** under any part of **this Scheme** or who is in receipt of **Sick Pay** or any other **Benefit** under any part of **this Scheme**:
- 6.1 shall whenever requested by the **Society's Representative** procure the production of:
 - 6.1.1 an original **Doctor's** certificate of continued **Disabling Illness** which must be received at the Registered Office of the Society within 14 days of expiry of the previous certificate to avoid any loss of **Sick Pay**;
 - 6.1.2 a written authority so that the **Society** can obtain a medical report or any medical information from the **Member's Doctor** as to such continued **Disabling Illness** and any past illness, injury, incapacity or disease whether or not the same is of a similar nature;
 - 6.1.3 a medical report as to the **Member's** ability to carry on his **Own Occupation Disability Condition**, or any other occupation to which he is reasonably suited by reason of his education, training and experience or in the case of a **Houseperson** his ability to undertake the core duties of his home which generally fall to such **Houseperson** where the right to receive any **Benefit** under these Rules depends upon the **Member** satisfying the **Housepersons Disability Condition**.
 - 6.2 shall obey the instructions of the **Member's Doctor** and shall answer any reasonable enquiries made by the **Society** or the **Society's Representative** as to the instructions given by the **Doctor**, and as to whether and how, the same are being obeyed;
 - 6.3 shall not conduct himself in a manner which is likely to retard his recovery;
 - 6.4 shall permit the **Society's Representative** to visit and interview him at all reasonable times;
 - 6.5 subject to Parts G and H below shall not follow any occupation for profit, remuneration or reward of any kind (including for the avoidance of doubt any voluntary work);

- 6.6 shall comply with the reasonable requirements of the **Society's Representative**;
- 6.7 shall provide at the **Member's** expense and in English any report and documentary evidence the **Society** requests the **Member** to provide (or where the original was not written in English accompanied by a translation into English certified as an accurate translation by the translator who has been accepted by the English High Court as competent to undertake similar translation work in the past).
- 7 Should a **Member** be guilty of a breach of any of the provisions of Rules 2.4 or 6 above, the **Board** shall be at liberty to suspend **Sick Pay** for so long as such breach continues and in the event that the same is not remedied by the **Member** within 14 days of being required by the **Society** to do so, the **Member** shall cease to be eligible to claim **Sick Pay** for the remainder of his **Disabling Illness** and unless the **Board** shall otherwise determine not be entitled to payment of **Sick Pay** in respect of any period during which he was in default and so that any entitlement during such period shall lapse.
- 8 No **Member** shall be entitled to receive **Sick Pay** from the **Society** until the expiration of a period of 30 days from the time of becoming a **Member**, plus any **Deferred Period** (if applicable) and/or where all due **Premiums** have not been received by the **Society** and/or are not up to date. **Premiums** must be paid on the due date while a **Member's** claim is admitted and/or he is in receipt of **Sick Pay** otherwise payment shall cease, but the omission to pay the current month's **Premium** while in receipt of **Sick Pay** shall not disqualify him from further **Sick Pay**. If a **Member's** accumulated arrears amount to more than 1 month's **Premiums** then the **Member's** right to claim and receive **Sick Pay** shall cease until the first day of the month following that in which all due **Premiums** have been received by the **Society** and the **Society** shall not be liable to pay any **Sick Pay** for the period in which the **Member** was in default.
- 9.1 Where a **Member** who is entitled to **Sick Pay**:
- 9.1.1 for so long as he satisfies the **Own/Own Suited Occupation Disability Condition** shall cease to claim **Sick Pay** with the intent, in the opinion of the **Board**, of avoiding the need to demonstrate that he is unable to follow any occupation for which he is suited by reason of training, education or experience, the **Board** may, for the purpose of determining the length of claim, treat a period of subsequent claim and the intervening period between the two claims as one continuous period from the start of the original claim so that on completion of a 52 week period of claim or deemed claim (i.e. including such intervening period) the **Member** will thereafter only remain entitled to **Sick Pay** for so long as he demonstrates that he is unable to follow any occupation for which he is suited by reason of training, education or experience;
- 9.1.2 for so long as he satisfies the **Own Occupation Disability Condition** shall cease to claim **Sick Pay** with the intent, in the opinion of the **Board**, of avoiding any reduction in the level of **Sick Pay** which may be due to him as a result of the operation of Rule 1.3.1 above, the **Board** may, for the purpose of determining the length of claim, treat a period of subsequent claim and the intervening period between the two claims as one continuous period from the start of the original claim so that it shall then be taken into account in computing the periods of time specified in Rule 1.3.1 above.
- 9.2 Where a **Member** who claimed and was paid **Sick Pay** under a **Deferred Sickness Benefit Scheme** ceases to be entitled to **Sick Pay** for any reason whatsoever and subsequently (however short the period may be) is again entitled to claim **Sick Pay** he shall not unless the **Board** shall determine otherwise be entitled to be paid **Sick Pay** until the expiry of the **Deferred Period** then following.
- 10 Any **Member** suffering from any mental disease or affliction shall be entitled to the same **Benefits** and privileges and shall be subject to the same restrictions and conditions as if he was suffering from some bodily illness or incapacity.
- 11 Where a **Member** is suffering from any mental disease or affliction, the **Society** may pay **Sick Pay** to any spouse or children dependant on him for maintenance or in default to the person legally responsible for the affairs of such **Member**. At the expiration of 52 weeks the **Board** may at their discretion, or if application is made for such payment by completion and submission of the **Prescribed Form**, pay such **Member's Credit** to such person or persons as in its opinion are entitled to it. The signed receipt of the person appearing to the **Society** to be legally responsible for the **Member's** affairs shall operate as a valid discharge of the **Society's** obligations under **this Scheme** to such **Member**. After such payment the **Society** shall not be liable to pay any further **Benefits** and the membership of such person shall at once terminate.

D

- 12.1 As a further requirement of these Rules entitlement to payment of **Sick Pay** shall be dependent upon:
- 12.1.1 the **Board** being satisfied that the **Member** is permanently resident within the **E.U.** (the **Board** having taken into account for this purpose the evidence provided pursuant to Rule 12.3 below); and
- 12.1.2 the **Board** being further satisfied that the **Member** is for so long as any claim for **Sick Pay** subsists spending each night at an address in the **E.U.**
- 12.2 Claims arising from **Disabling Illness** incurred or contracted while outside the **E.U.** shall be paid only from the date and so long as the **Member** meets the conditions of Rule 12.1 above.
- 12.3 A **Member** shall provide such information as the **Board** may reasonably require to enable the **Board** to determine whether or not a **Member** meets the conditions of Rule 12.1 above and shall include original documentary evidence providing proof of the day to day address at which the **Member** is sleeping, tax assessments for the previous 2 years before the date of any claim, the address of the **Member's** then current **Doctor** and bank account through which day to day living expenses are defrayed.
- 12.4 In the event that no verifiable medical treatment is available for the **Disabling Illness** within the **E.U.** the **Board** may, at its sole discretion, permit the payment of **Sick Pay** during the course of the medical treatment outside the **E.U.**
- 12.5 If the **Member** has failed within 6 months of the date of submitting a claim for **Sick Pay Benefits** to provide any or all of the above as required by the **Society** for the purposes of determining whether to admit or to decline the claim the **Society** will be entitled to reject the claim.

E

PART E ~ Accident Protection

- 1 A **Member** of the **Deferred Sickness Benefit Scheme** under these Rules may elect to take **Accident Protection** in order to claim **Accident Sick Pay** at the rate per **Unit** determined by the Tables adopted by the **Society** from time to time under which the **Member** is contributing for the relevant **Deferred Period** applicable to his **Deferred Contract** with the **Society** by completing the **Prescribed Form** and subject to acceptance by the **Society** of such **Member** to **Accident Protection**.
- 2 In the event of an **Accident** a **Member** who is entitled to claim **Accident Sick Pay** shall follow the same procedure for claim as set down in Rule D 2.1.
- 3 In order to be eligible to claim **Accident Sick Pay** the **Member** must satisfy the **Own Occupation Disability Condition**, **Own/Own Suited Occupation Disability Condition** or **Houseperson Disability Condition** for which the **Member** has opted under **this Scheme**.
- 4 **Accident Sick Pay** shall not be paid for the first 3 or less consecutive days of **Disabling Illness** resulting from an **Accident** if such incapacity only lasts for those 3 consecutive days or less.
- 5 No **Member** shall be entitled to receive **Accident Sick Pay** from the **Society** until the expiration of a period of 30 days from the date the **Society** accepts the **Member** as eligible and entitled to **Accident Protection**.
- 6 **Accident Sick Pay** shall not be paid in the event of claims resulting from any of the matters mentioned in Rules D 4.3 to 4.11 inclusive.
- 7 **Premiums** paid for **Accident Protection** will not entitle **Members** to any additional **Surplus Allocation** to those detailed in Part J of these Rules.
- 8 A **Member** may cancel the **Accident Protection** by giving written notice to the **Society**. Entitlement to **Accident Sick Pay** under this option shall cease immediately upon receipt of such notice by the **Society**.
- 9 Any change in the amount of **Accident Sick Pay** payable under the Tables shall be subject to the same procedure as set out in Rule C 2 of these Rules.

PART F ~ Index-linking

- 1 Save as specified in Rules 1.1 to 1.3 below, unless the **Member** has elected not to benefit from index-linking by giving written notice to the **Society** on the **Prescribed Form**, the **Member's Unitholding** will be linked to the General Index of Retail Prices or in the event of the discontinuance of that Index a replacement of that measure which is acceptable to the **Society**;
 - 1.1 A **Member** entitled to claim **Sick Pay** only so long as he satisfies the **Houseperson Disability Condition** shall not be entitled to benefit from index linking under Rule 1 above;
 - 1.2 A **Member** who has opted to commute his entitlement to receive **Sick Pay** pursuant to Rule B 13 of these Rules shall not be entitled to benefit from index linking under Rule 1 of this Part F above so long as he remains ineligible to claim **Sick Pay**, but unless the **Member** gave notice under Rule 1 above, index linking shall recommence in the event that he becomes entitled at a later date to claim **Sick Pay**;
 - 1.3 A **Member** who has reduced his **Unitholding** pursuant to Rule B 17 or who has suffered a reduction in his **Unitholding** pursuant to Rule C 12 shall not be entitled to benefit from index linking under Rule 1 above.
- 2 Unless the **Member** has served notice as required pursuant to Rule 1 above, he shall have his **Unitholding** reviewed annually on 1st January (the review date) and in the event of an increase in the Index occurring in the 12 month period ending on 30th September in the year previous to the review date (the base date) such **Member's Unitholding** shall be increased on a pro rata basis provided that such increase shall result in the addition of at least 1 complete **Unit** to a **Member's Unitholding**.
- 3 Fractions of **Units** resulting from the application of the **RPI Option** shall be placed to a **Member's** name and shall be aggregated with a **Member's** current **Unitholding** at the review date for the purposes of calculating the **Unitholding** to apply from 1st January based on the increase in the applicable Index in the 12 month period ending on the base date in the previous year.
- 4 Complete **Units** added to a **Member's Unitholding** as a result of the **RPI Option** shall:
 - 4.1 result in an increase in the level of **Premiums** payable by the **Member** in accordance with the Tables adopted by the **Society** from time to time;
 - 4.2 qualify for **Surplus Allocation** in accordance with the provisions of Part J of these Rules.
- 5 Entitlement to claim and receive **Sick Pay** in respect of the additional **Units** allotted to a **Member** under this **RPI Option** commences on the 30th day following the review date plus the **Deferred Period**, if applicable.
- 6 A **Member** may cancel the **RPI Option** by giving written notice to the **Society** that he no longer wishes the **RPI Option** to apply or that he no longer wishes **Units** to be added. On receipt of such notice no further **Units** shall be added to the **Member's Unitholding** thereafter and the **RPI Option** shall likewise cease to apply.
- 7 Any **Member** who has given notice pursuant to Rules 1 and 6 above, may apply to the **Society** on completion of the **Prescribed Form** to benefit from index linking and so that the provisions of this Part F shall then apply to such **Member** provided that:
 - 7.1 at the date of the application he is neither claiming nor receiving **Sick Pay**, and
 - 7.2 any such application shall be subject to the **Society's Underwriting**.
- 8 In all cases where a **Member's Benefits** are subject to any special provisions or restrictions any claim to payment of **Benefits** based in part on any increase in his **Unitholding** as a result of index linking shall be subject to the same special provisions or restrictions.



PART G – Rehabilitation Benefit

- 1 Any **Member** (other than a **Member** whose entitlement to **Sick Pay** depends upon him satisfying the **Houseperson Disability Condition**), who immediately following a **Disabling Illness** for which **Sick Pay** has been paid who:
 - 1.1 has returned, or is able to return, to the occupation or occupations engaged in the period of 12 months immediately preceding the onset of the **Disabling Illness** but continues, or will continue, to be restricted in the scope of their occupational activities and
 - 1.2 as a result of Rule 1.1 above suffers a consequential reduction in **Earnings** and
 - 1.3 requires regular ongoing supervision and treatment by the **Member's Doctor**

shall be entitled to claim Rehabilitation Benefit.

- 2 Subject to the provisions of Rule L 4 of these Rules, qualification for Rehabilitation Benefit under this Rule shall be subject to a **Member's Doctor** certifying that:
 - 2.1 in the case of a **Member** whose entitlement to **Sick Pay** depends upon him satisfying the **Own Occupation Disability Condition**, he could nonetheless carry out otherwise than on a fulltime basis some aspect of his **Own Occupation**, and
 - 2.2 in the case of a **Member** whose entitlement to **Sick Pay** depends upon him satisfying the **Own/Own Suited Occupation Disability Condition**, he could nonetheless carry out otherwise than on a fulltime basis some aspect of his **Own Occupation** in respect of the period of 52 weeks from the onset of the payment of **Sick Pay** or thereafter some aspect of an occupation to which he was suited by reason of training, education or experience otherwise than on a fulltime basis.

- 3 Subject to Rule 4 below, the **Benefit** payable under this Rule will be based on the undermentioned formula:

$$\frac{\text{Earnings on which Sick Pay entitlement based (less) new restricted earnings}}{\text{Earnings on which Sick Pay entitlement based}} \times \text{Sick Pay entitlement} = \text{Rehabilitation Benefit}$$

- 4 Entitlement to Rehabilitation Benefit will be subject to the **Member** being able to produce, to the satisfaction of the **Society**, evidence of a consequential reduction in **Earnings** as a result of restricted occupational activities and will not be paid Rehabilitation Benefit in addition to **Sick Pay** and such **Benefit** shall continue only for as long as the requirements of this Part G are met.
- 5 Any application for Rehabilitation Benefit shall be made by completion and submission of the **Prescribed Form**.

PART H – Proportionate Benefit

- 1 Entitlement to Proportionate Benefit shall be discretionary on the part of the **Society**.
- 2 Any **Member** (other than a **Member** whose entitlement to **Sick Pay** depends upon him satisfying the **Houseperson Disability Definition**) who:
 - 2.1 as a result of the **Disabling Illness** is forced or willing to follow a different occupation or occupations to those engaged in the period of 12 months immediately preceding the onset of the **Disabling Illness** and
 - 2.2 suffers a consequential reduction in **Earnings** as a result of Rule 2.1 above
 shall be entitled to claim Proportionate Benefit.
- 3 Qualification for benefit under Rule 2 above shall be subject to a **Member’s Doctor** certifying that the **Member** is capable of work but not in the occupation or occupations being performed in the 12 months immediately preceding the **Disabling Illness**. The **Member** must also produce, to the satisfaction of the **Society** evidence of income from the new occupation.
- 4 Subject to Rule 5 below of this Part H the **Benefit** payable under this Rule will be calculated using the undermentioned formula:

$$\frac{\text{Earnings on which Sick Pay entitlement based (less) new earnings}}{\text{Earnings on which Sick Pay entitlement based}} \times \text{Sick Pay entitlement} = \text{Proportionate Benefit}$$
- 5 Entitlement to Proportionate Benefit will not be paid in addition to **Sick Pay** and shall only continue for as long as the requirements of this Part H are met.
- 6 Any application for Proportionate Benefit shall be made by completion and submission of the **Prescribed Form**.

PART I – Terminal Illness Benefit

- 1 A **Member** in receipt of **Sick Pay** under Part D of these Rules who is diagnosed with a **Terminal Illness** may, on completion of the **Prescribed Form** within 1 month of notification of such initial diagnosis:
 - 1.1 elect to withdraw his **Member’s Credit** without penalty being applied on condition that from the date of withdrawal he ceases to be entitled to any further **Sick Pay**, and,
 - 1.2 claim Terminal Illness Benefit being 6 months **Sick Pay** less any **Sick Pay** paid to the **Member** since the **Member** was initially diagnosed with the **Terminal Illness**.
- 2 In the event of a difference of opinion between the attending Consultant and the **Society’s Medical Adviser** the **Society** shall retain the right to base its final decision on the opinion of the **Society’s Medical Adviser**.

PART J ~ Application and Apportionment of Funds

- 1 **Premiums** and the allocated investment income of *this Scheme* earned thereon shall be credited to the Revenue Account. The amount of the investment income so allocated shall be determined by the **Board** after taking advice from the **Actuarial Function Holder**.
- 2 All the monies so credited in any **Financial Year** shall be available:
 - 2.1 firstly to meet such proportion of management expenses as the **Board** shall decide after taking advice from the **Actuarial Function Holder**;
 - 2.2 secondly in payment of **Benefits**; and
 - 2.3 thirdly in establishing such reserves for future **Sick Pay** and other **Benefits** as the **Board** shall decide on the recommendation of the **Actuarial Function Holder**.
- 3 The balance (if any) of such monies remaining at the end of the **Financial Year** may be distributed and added to the **Member's Credit** as a final rate of **Surplus Allocation, Bonus Allocation** and **Commuted Bonus** and/or such other form of bonus as may be determined by the **Board** acting upon the advice of the **With-Profits Actuary**, but subject to the following Rules 3.1 – 3.8. inclusive, and at such rate or rates as the **Society** may specify from time to time and so that different rates may apply in relation to different bonuses and different kinds of **Member's Benefits**.
 - 3.1 Until such time as the final results for the **Financial Year** are known for *this Scheme* the **Board**, acting on the advice of the **With-Profits Actuary** shall declare an interim rate of **Surplus Allocation, Bonus Allocation** and **Commuted Bonus** and/or such other form of bonus as may be determined by the **Board** acting upon the advice of the **With-Profits Actuary**. Such bonuses shall (as appropriate) be added to a **Member's Credit** in the event of the death or withdrawal of the **Member** during the **Financial Year** and the **Member's** entitlement shall not then be subject to any adjustment resulting from any difference between the interim and final bonus pursuant to Rule 3 above.
 - 3.2 **Bonus Allocation** shall be calculated on the **Member's Credit** at the end of the previous **Financial Year** less any deductions or set-offs during the current **Financial Year**.
 - 3.3 Unless the provisions of Part M of these Rules applies no **Bonus Allocation** shall be credited to a **Member's Credit** if his **Premiums** are 4 or more months in arrears and/or where his membership has lapsed pursuant to Rule C 7.
 - 3.4 No **Surplus Allocation** shall be added to a **Member's Credit** unless he has opted to pay **Premiums** which secure an entitlement to participate in **Surplus Allocation**.
 - 3.5 Subject to Rule 3.6 and 3.7 below any **Surplus Allocation** added to a **Member's Credit** (being a **Member** who has opted to pay **Premiums** which secure an entitlement to participate in **Surplus Allocation**) shall be in proportion to the number of **Units** held by such **Member**. The **Surplus Allocation** may be at a different rate for the **Day One Scheme** and **Deferred Sickness Benefit Scheme** carrying a right to participate in **Surplus Allocation** and for the sections of the **Deferred Sickness Benefit Scheme** which have a different **Deferred Period**.
 - 3.6 A **Member**, who elects to pay **Premiums** in accordance with the relevant Table which secure an entitlement to **Sick Pay Benefits** and to participate in any **Surplus Allocation**, will not be entitled to a **Surplus Allocation** on those **Units** until the **Society** has received all **Premiums** due for the first 24 months and he will not be entitled to a **Surplus Allocation** on those **Premiums**. Where a **Member** increases the number of his **Units** under Rule B 16 and Rule F 2 no **Surplus Allocation** will be paid on the additional **Units** until all additional **Premiums** due for the first 24 months on such additional **Units** have been received by the **Society** and he will not be entitled to a **Surplus Allocation** on those additional **Premiums**.

- 3.7 In the case of a **Member** as described at Rule 3.6 above who elects to pay **Premiums** in accordance with the relevant Table so as to be entitled to **Sick Pay Benefits** only, and/or a **Member** who has opted to commute his entitlement to **Sick Pay** pursuant to Rule B 13 so as to be eligible to receive **Commutated Bonus** only but who successfully re-applies to pay to the **Society Premiums** which secure an entitlement to **Sick Pay Benefits** and to participate in any **Surplus Allocation**, will not be entitled to a **Surplus Allocation** until the **Society** has received all **Premiums** due for the first 12 months following the first such successful re-application; on the occasion of any subsequent like application, however, no waiting period shall apply.
- 3.8 A **Member** entitled to **Surplus Allocation** by virtue of having paid **Premiums** in accordance with the relevant Table to participate in **Surplus Allocation** who has contributed for part only of a **Financial Year** shall be entitled to a proportionate part of the **Surplus Allocation** to which he would have been entitled if he had contributed for the whole **Financial Year** for each complete month the **Member** has contributed under **this Scheme**.
- 4 An account shall be opened in the books of the **Society** for each **Member** entitled at any time to receive **Surplus Allocation, Bonus Allocation** and **Commutated Bonus** and/or such other form of bonus as may be determined by the **Board** acting upon the advice of the **With-Profits Actuary**.
- 5 In the event of the monies referred to in Rule 2 above being insufficient to meet the demands for **Sick Pay** and other **Benefits**, in consequence of an epidemic, or from any other cause, the proportion of the surplus funds placed to the **Member's Credit** under these Rules may be liable to make good any deficiency by contributing pro rata (i.e. according to rate of **Premium**) thereto.
- 6 For **Schedule 1 Members** transferring to **this Scheme Surplus Allocation** or dividends at the prevailing rate applicable for the **Schedule 1 Members** shall be allocated at the date of transfer on a proportionate basis for each complete month the **Member** has contributed under the Schedule 1 of the General Rules.
- 6.1 Subject to the **Member** opting to pay **Premiums** under the relevant Table to participate in **Surplus Allocation** the 24 month waiting period for **Surplus Allocation** on **Units** held at the date of admission shall not apply to **Schedule 1 Members**. At the end of the **Financial Year** in which transfer occurs such **Schedule 1 Members** shall be entitled to a proportionate part of the **Surplus Allocation** to which they would have been entitled as if they had contributed for the previous 24 months on a proportionate basis for each complete month the **Member** has contributed under **this Scheme**.
- 6.2 On a transfer from the **Schedule 1 Scheme** a **Member's** shareholding (which must be sufficient to acquire not less than 5 **Units**) shall be converted to **Units** on the basis set down in the Tables. This **Unitholding** shall form the basis of the opening **Unitholding** for the purposes of Rule B 8.

Part K – Terminal Bonus

The **Board** may at their discretion and on the advice of the **With-Profits Actuary** declare each year a terminal bonus for the following 12 months. The rate of this bonus may be changed at any time during the relevant 12 months by the **Board** on the advice of the **With-Profits Actuary**. This bonus shall be a percentage of the amount standing to the **Member's Credit**. The terminal bonus so calculated shall be added to the sum due to be paid in accordance with the provisions of Rule L 3 and Part N of this Schedule of the Rules in respect of the death of a **Member** during the relevant 12 months or to any **Member** retiring from the **Society** and withdrawing the whole of such **Member's Credit** in accordance with the provisions of Rule L 1 during the same period.

PART L ~ Withdrawal of Funds ~ Termination of Membership

- 1 On attaining his **Selected Retirement Age**, the **Member** may:
 - 1.1 Withdraw the whole or any part of the **Member's Credit** from the **Society** on completion of the **Prescribed Form**; or
 - 1.2 Leave the whole or any part (being not less than such minimum amount set by the **Board** from time to time) of the **Member's Credit** on deposit with the **Society**. **Deposit Interest** shall be credited at the applicable **Deposit Interest Rate** on such deposit in such manner and on such terms as the **Board** may determine from time to time. **Deposit Interest** may either be added to the **Member's Credit**, or may be paid directly to the **Member** yearly on 31st December or half-yearly on 30th June and 31st December or such other date or dates as may be determined by the **Board** from time to time. Such **Member** may at any time withdraw the whole of the **Member's Credit** or on partial withdrawal such amount as shall leave a balance which is not less than such minimum amount set by the **Board** from time to time.
- 2 A **Member** leaving the **Member's Credit** on deposit in accordance with the provisions of Rule 1.2 above shall be entitled to be present and vote at a general meeting of the **Society**, but shall not be entitled to claim **Sick Pay** or to receive any other **Benefits** save for **Deposit Interest** pursuant to Rule 1.2 above.
- 3 Upon the death of a **Member** who shall hold in the accounts of the **Society** a **Member's Credit** there shall be paid to the person or persons duly entitled thereto the whole of the **Member's Credit** subject to the provisions of Part N of these Rules.
- 4 No **Member** admitted to membership after the date the amendments to these Rules are registered with the Financial Services Authority shall be paid **Sick Pay** after reaching his **Selected Retirement Age**. A **Member** admitted to membership before the date the amendments to these Rules are registered with the Financial Services Authority may:
 - 4.1 continue to pay **Premiums** after his **Selected Retirement Age** until the end of the **Financial Year** in which he attains his **Selected Retirement Age** but shall not be entitled to claim **Sick Pay** once he has retired;
 - 4.2 commute his right to claim **Sick Pay** as provided for in Rule B 13 of these Rules where he is working or not.
- 5 If a **Member** satisfies the **Board** that he has taken up permanent residence outside the **E.U.** he may with the consent of the **Board**, withdraw the **Member's Credit** without penalty applying.
- 6 Any **Member** may, subject to giving to the **Society** not less than one month's prior written notice, apply to withdraw the whole but not a part of his **Member's Credit** by completion of the **Prescribed Form**. In the event that such a notice is given the following provisions set out under Rules 7 and 8 below shall apply. From the date of receipt of such notice the **Member** shall not be entitled to claim or receive **Sick Pay**.
- 7 Where notice pursuant to Rule 6 above is given by any **Member** admitted to membership of the **Society** after the date that these Rules take effect:
 - 7.1 the sum standing to the credit of such **Member** shall be returned to him subject to a deduction of 10% thereof unless Rule 7.2 below applies;
 - 7.2 this Rule 7.2 applies to any such **Member** who gives notice pursuant to Rule 6 above at any time during the period of 5 years before his **Selected Retirement Age**, when the sum then standing to the credit of such **Member** shall be returned to him less a deduction of 2% of the value thereof multiplied by each year or part year remaining between the date of the application and the revised maturity date up to a maximum of 10%.
- 8 Where notice pursuant to Rule 6 above is given by any **Member** admitted to membership of the **Society** before the date that these Rules take effect:
 - 8.1 the sum standing to the credit of such **Member** shall be returned to him subject to a deduction of the lower of £25 per **Unit** or 10% of the sum standing to the **Member's Credit** (or such other sum as may be determined from time to time by the **Board** acting upon the advice of the **Actuarial Function Holder**);

- 8.2 this Rule 8.2 applies to any such **Member** who gives notice pursuant to Rule 6 above at any time during the period of 5 years before his **Selected Retirement Age**, when the sum then standing to the **Member's Credit** shall be returned to him less a deduction of 2% of the value thereof multiplied by each year or part year remaining between the date of the application and the revised **Selected Retirement Age** up to a maximum of £25 per **Unit**;
- 8.3 should such **Member** have changed the number of **Units** held during any part of the 2 years last preceding the date of his notice to withdraw, the foregoing deduction shall be calculated by reference to the highest number of **Units** held during such 2 year period, unless the **Board** otherwise determines.
- 9 After withdrawal under Rule 7 or 8 above a **Member** may apply for membership as prescribed under the applicable provisions of Part B of these Rules.
- 10 Unless the provisions of Part M of these Rules apply a person ceasing for any reason to be a contributing **Member** of the **Society**, may at any time within 2 years from the date of his last payment to the **Society**, apply to withdraw his **Member's Credit** subject to the provisions of Part L, but without any addition for **Surplus Allocation, Commuted Bonus** or terminal bonus at the sole discretion of the **Board** and any sum not withdrawn within such period of 2 years shall accrue to the Reserve Fund of the **Society** and in this event the **Society** shall not thereafter be liable to the **Member** or any other person in respect thereof.
- 11 No notice of withdrawal given pursuant to any of the above Rules shall be cancelled without the consent of the **Board**. At the expiration of 1 calendar month from the date when such notice shall have been received or earlier if the **Board** so decide, the due amount of the **Member's Credit** shall be paid to him.
- 12 A **Member** may not assign, mortgage, or charge the **Member's Credit** or any part thereof and any attempt so to do shall be void against the **Society**.
- 13 If a **Member** shall or shall attempt to assign, mortgage, or charge the **Member's Credit** or any part thereof, or if he shall become bankrupt or suffer anything whereby the **Member's Credit** or any part thereof would, if belonging to him absolutely, be liable, by operation or process of law, to become vested in or payable to some other person or persons, the **Member's Credit** shall be forfeited, and may be applied at the absolute discretion of the **Board** to or for the benefit of any relative or relatives of the **Member**, or be transferred to the Reserve Fund of the **Society**.



Part M ~ Career Break

- 1 Subject to Rule 2 below a **Member** who has paid **Premiums** for a minimum of 12 months or who has a **Member's Credit** may on written application to the **Society** suspend the payment of further **Premiums** for up to 24 months at a time during which no claims or **Benefits** shall be admitted or paid with the exception of **Bonus Allocation** which shall continue to be added to a **Member's Credit** in accordance with the provisions of Rule J 3.2.
- 2 No **Member** can apply to suspend **Premiums** under this Part M for more than 48 months in total during their membership of the **Society** save with the consent of the **Society** and subject to its sole and unfettered discretion.
- 3 At the end of the **Financial Year** in which a **Member** selects the career break a proportion of the **Surplus Allocation** and/or **Commuted Bonus** pursuant to Rule J 3 shall be added to his **Member's Credit** based upon each complete month the **Member** has opted to pay **Premiums**, under the relevant Table, to participate in **Surplus Allocation** and/or **Commuted Bonus**.
- 4 Where a **Member** who has not passed his **Selected Retirement Age** returns to work within 24 months of the suspension of **Premiums** first taking effect, he will, following the date of submission to the **Society** of the **Prescribed Form** be entitled to recommence the payment of **Premiums** from the time the application to resume the payment has been agreed by the **Society** and once he has completed 3 consecutive months in his occupation shall thereafter be entitled to claim the same **Benefits** as were available to him prior to the career break.
- 5 Where a **Member** does not return to work within 24 months of the date of the commencement of the career break under Rule 1 above:
 - 5.1 his **Unitholding** shall be reduced to 5 **Units**; and
 - 5.2 he shall upon the recommencement of the payment of **Premiums** thereafter only be entitled to the **Benefits** which would be payable as if he had opted to receive **Benefits** under the **Houseperson Disability Definition** alone unless and until he successfully applies for a variation to terms of membership in accordance with Part B of these Rules.

(The provisions of this Rule 5 are without prejudice to such **Member's** right to apply to the **Society** to claim different **Benefits** thereafter in the event of any application being made by the **Member** for such **Benefits** in accordance with the provisions of these Rules and which shall then be subject to the **Society's Underwriting**).
- 6 Where a career break is taken within a period of 12 months of the cessation of an earlier one then it shall be treated as being a continuation of the former to determine its duration for the purposes of applying the provisions of Rule 5 above.
- 7 Entitlement to other **Benefit** (apart from **Bonus Allocation**) shall not recommence until the expiration of the period of 3 months referred to in Rule 4 above from the time the application to resume the payment of **Premiums** has been agreed by the **Society**, plus any **Deferred Period** (if applicable), and provided all due **Premiums** have been paid unless Rule 8 below applies.
- 8 If at the time of the application to cease payment of **Premiums** under this Rule the **Member** is in arrears then subject to the provisions of Rule P 2 of these Rules the **Board** may, at their discretion, waive the collection of those **Premiums** and permit the career break to proceed on the understanding that as regards any such **Member** no **Surplus Allocation** or **Bonus Allocation** shall accrue or be applied for the period covered by the arrears. In such circumstances the **Member** shall not be required to clear these arrears when the career break expires or when payment of the **Premiums** recommence.
- 9 In the event of a **Member** being 4 or more months in arrears with his **Premiums** and not having given notice to the **Society** to select the career break option the **Board** may, at its discretion, apply the provisions of Rule 1 above on behalf of any such so that such **Member** may benefit from **Bonus Allocation** on the **Member's Credit**.
- 10 **Members** transferring to **this Scheme** from the **Schedule 1 Scheme** shall not be subject to the time limit stipulated in Rule 1 above provided that the **Member** has, at the time the application is made, a **Member's Credit** with the **Society**.
- 11 A **Member** suspending the payment of **Premiums** under this Rule shall be entitled to be present and vote at a general meeting of the **Society**.

PART N – Proceedings on Death

- 1 On the death of a **Member**, any sum due from the **Society**, as to which no valid nomination is then registered, shall be paid to the personal representative of such **Member**, or such sum not exceeding the limit of amount for the time being prescribed by law, shall be distributed among such persons as appear to the **Board** to be entitled by law to receive the same, and in the case of any dispute may be retained by the **Board** until such dispute is decided in accordance with the law. Where it is established there is no legal claimant to any sum payable at death of a **Member**, then such sum shall be transferred to the Reserve Fund.
- 2 On the death of a **Member** there shall be paid to the person entitled such **Member's Credit** at the date of death, together with **Bonus Allocation** at the rate referred to in Rule J 3.1 up to and including the date of death and, where the **Member** has opted to pay **Premiums** under the relevant Table to participate in **Surplus Allocation** or **Commutated Bonus**, such **Surplus Allocation** or **Commutated Bonus** at the rate referred to in Rule J 3.1 for each complete month the **Member** has paid **Premiums** subject to any nomination under General Rule 6. At the sole discretion of the **Board Bonus Allocation** may be paid from the date of death to the date of payment.
- 3 On the death of a **Member** the person entitled shall be paid the **Member's Credit**, provided the application for payment is made within 1 year of his death. If no such application is made the **Member's Credit** shall accrue to the Reserve Fund.
- 4 No sums shall be paid out unless and until there is produced to the **Society** such evidence of death and title as shall be required by law and by the **Board**.

PART O – Transfer of Membership from other Societies

The **Society** may agree with any other Friendly Society and may at its discretion establish rules and tables of **Premiums** (where applicable) for the transfer to the **Society** of members of other Friendly Societies and a **Member** or **Members** from the **Society** to other Friendly Societies where the **Society** and the other Friendly Societies have similar sick pay schemes.

PART P – Expulsion and Exclusion from Membership

- 1 Any **Member** who:-
 - 1.1 makes a clearly reckless or fraudulent statement or declaration to the **Society**, whether in connection with an application for membership or to vary his terms of membership under these Rules or in connection with a claim for **Sick Pay** or other **Benefits**, or otherwise deceives or attempts to deceive the **Society** in any way;
 - 1.2 in the sole opinion of the **Board**, had been guilty of vexatious and frivolous behaviour; or
 - 1.3 commits a serious breach or persistent breaches of these Rules;shall be expelled.
- 2 A **Member** who is expelled from the **Society** shall forfeit all **Premiums** paid by him to the **Society**, together with the **Member's Credit** as at the date of his expulsion, or such part thereof as the **Board** may, at its sole discretion, decide.
- 3 Any amount forfeited under Rule 2 above shall be transferred to the Reserve Fund of the **Society**.
- 4 Notwithstanding the provisions of Rule 1 above the **Society** shall have authority to vary the terms of admission, or variation, or amendment of existing membership in the event of a **Member** making an inadvertent or innocent statement or declaration, resulting in more beneficial terms being offered by the **Society** to the **Member** than would have pertained had a full disclosure been made at application. The **Member** shall be informed of such change in writing and, in the event of a dispute with the **Society**, shall retain the right to have the matter referred to arbitration under General Rule 27 or considered by the Financial Ombudsman Service or any successor or other service replacing the same.

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- 5 Unless the provisions of Part M of *this Scheme* apply every **Member** whose **Premiums** are 4 or more months in arrears shall be considered to have terminated his membership and his membership shall automatically lapse pursuant to Rule C 7 (save that the **Board** may, at its sole discretion for special reasons, allow membership to continue provided the **Member** pays up all arrears. Such **Member** may then continue and will be eligible for **Benefits** from the first day of the month following that in which all due **Premiums** have been received by the **Society**).

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PART Q ~ Waiver of Premium Benefit

- 1 **Members** who are:
- 1.1 contributing to receive **Sick Pay Benefits** and whose claim to **Sick Pay** is admitted; or
 - 1.2 existing **Members** not already at that date entitled to Waiver of Premium Benefit who are not in receipt of **Sick Pay Benefits** and who have not made a claim to such **Benefits** during the past 6 months; and
 - 1.3 existing **Members** who at that date are already entitled to Waiver of Premium Benefit; shall be entitled (or as the case may be continue to be entitled) from the date of the registration of these Rules with the Financial Services Authority to Waiver of Premium Benefit in order to have their **Premiums** refunded under *this Scheme*, in accordance with the Tables adopted by the **Society** from time to time. Such **Members** will be entitled to Waiver of Premium Benefit from the 29th day of **Disabling Illness** or after the expiry of the **Deferred Period**, whichever is the later and their membership of *this Scheme* will remain in force during such period.
- 2 Where the **Society** is paying Rehabilitation Benefit under Part G of these Rules or Proportionate Benefit under Part H of these Rules, it will pay the same proportion of the Waiver of Premium Benefit.
- 3 All **Premiums** must continue to be paid throughout the claim and Waiver of Premium Benefit shall be effected by the way of a refund of **Premiums** with the **Sick Pay**.
- 4 In the event of a claim the **Member** must follow the same procedure as set down in Part D of these Rules.
- 5 Waiver of Premium shall be defined as 1/30th of the monthly **Premium** (including all rider **Premiums**) for each qualifying day of **Disabling Illness**.
- 6 No **Member** shall be entitled to receive Waiver of Premium Benefit from the **Society** until the expiration of a period of 30 days from the date the **Society** accepts the **Member** as eligible and entitled to Waiver of Premium.
- 7 **Premiums** paid for Waiver of Premium will not entitle **Members** to any additional **Surplus Allocation** to that detailed in Part J of these Rules.
- 8 Entitlement to Waiver of Premium Benefit will cease from the day the **Member** ceases to be entitled to **Sick Pay**.



P. R. Hudson
Secretary



**Certificate of Registration of an
Alteration of Rules**

(Friendly Societies Act 1992 sch. 3 para. 6)

Name of Society: **Cirencester Friendly Society Limited**

Register No: **149F**

The alteration of the rules of the society, set out in the attached record of alteration, was registered on **18 September 2006** to take effect on **1 October 2006**, the date specified in that record.

A copy of this certificate and the record of the alteration is kept on the public file of the society.

A handwritten signature in black ink, appearing to be "W. G. Smith", is written over a faint circular stamp.

Date: **18 September 2006**

For the Financial Services Authority

Cirencester friendly is a trading name of Cirencester Friendly Society Limited.
Registered and Incorporated under the Friendly Societies Act 1992. Reg. No. 149F.
Authorised and regulated by the Financial Services Authority.

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