

SCHEDULE 6 - RULES OF THE
MY EARNINGS PROTECTED CONTRACT

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SCHEDULE 6

(being the Rules of My Earnings Protected as registered with the Financial Conduct Authority on 20 June 2023)

PART A - GENERAL - DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In this Schedule the following words and expressions have the meanings set out in the following table:

Act	The Friendly Societies Act 1992
Actuary	The person(s) appointed as the Actuary and/or with-profits actuary to the Society in accordance with the requirements of the Act and/or the Regulator
Arrears	Any Premiums which have fallen due and have not been paid by the due date
Benefits	Benefits payable under this Scheme which comprise: <ul style="list-style-type: none">• Health Benefit (including any Variations made under an Option)• Injury Benefit (if added to the Contract as an Option)• Recovery Benefit• Terminal Illness Benefit
Board	The Committee of Management of the Society as referred to in the General Rules
Calendar Year	1 st January to 31 st December inclusive
Contract	The contract between the Society and a Member who has been admitted to this Scheme that provides for Health Benefit to be claimed (including any Recovery Benefit , Injury Benefit or Terminal Illness Benefit where able to be claimed)
Cover	The extent of a Member's entitlement to Benefits
Day 1	The Option previously available (but no longer available to new Members) where Health Benefit can be claimed from the first day of the Disabling Condition and is payable under the Scheme subject to the Disabling Condition lasting for more than 3 consecutive days
Deferred Contract	A Contract to which a Deferred Period or Split Periods apply
Deferred Period(s)	The period of time during which Health Benefit cannot be claimed and is not payable under the Scheme from a choice of 1, 4, 8, 13, 26 and 52 week Deferred Periods
Disabling Condition	Any illness or injury, incapacity or disease (other than an Excluded Condition) which results in the Member being entitled to Health Benefit so long as the Member continues to satisfy the conditions of Own Occupation Disability or Suited Occupation Disability , whichever is applicable to the Member
Doctor	A medical practitioner other than the Member or a family member who is licensed under the Medical Act 1983 (or any later re-enactment, replacement or amendment thereof) and holds full registration with the General Medical Council

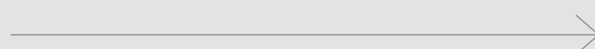
Earnings	<p>For Members who are employed (under a contract of service), pre-tax earnings for PAYE assessment purposes, as shown on payslips, HMRC form P60, plus benefits in kind, as shown on HMRC form P11D in the 12 month period immediately preceding the commencement of the Disabling Condition</p> <p>For Members who are self-employed, their share of the Taxable Profit derived from the Normal Trading Activities of the business for the 12 month accounting period ending within the 12 month period immediately preceding the commencement of the Disabling Condition</p> <p>For Members who are employed within a private limited company (under a contract of service deemed or formal), in which the Member and not more than 3 other shareholders are employed as full or part time working directors, Earnings shall also include, if applicable, dividends received during the accounting reference period ending within the 12 month period immediately preceding the commencement of the Disabling Condition and which represent the Member's share of the Taxable Profit, before taxation, derived from the Normal Trading Activities of that company.</p> <p>Income from loan repayments, savings, drawings and investment, except for dividends as described above do not constitute Earnings for the purpose of this Contract</p>
Earnings Cover	The Health Benefit that Members are permitted to secure under the Scheme and which is used to determine Premiums
Excluded Condition	<p>A condition specifically excluded from Cover under the Contract as set out in the offer of terms of Contract either at application, or Variation, together with any claim directly or indirectly arising from:</p> <ul style="list-style-type: none"> • the misuse of solvents or substances used for other than their stated purposes; • the use of illegal substances or drugs not taken under the advice or supervision of the Member's Doctor; • the misuse of alcohol; • pregnancy/childbirth and sterilisation, unless on the grounds of medical necessity; • any operation or treatment that is not medically necessary, including cosmetic surgery; • the Member's criminal conduct or participation in a criminal act. <p>For Members who have applied for Cover on or after 20 June 2023 any Disabling Condition arising from the Member's participation in any form of motor sport (whether competitively or not) shall also be an Excluded Condition.</p>
Expiry Date	The date at which entitlement to all Benefits ceases as specified at the start of the Contract or at Variation subject always to not exceeding the Member's 70th birthday
General Rules	The General Rules of the Society that apply to all Members
Guaranteed Insurability Option	The Option provided under Part J of these Rules.
Health Benefit	The amount to which a Member is entitled to receive in accordance with Rule B3.3 subject to the Member being engaged in work immediately preceding the commencement of the Disabling Condition
HMRC	Her Majesty's Revenue and Customs or any successor thereto

Index	The Consumer Price Index (CPI) (or in the event of the discontinuance of that Index a similar replacement of that measure which is acceptable to the Society) or such lower measure of inflation as the Society may apply from time to time at its discretion
Indexation	The Option to have Health Benefit linked to movements in the Index
Injury Benefit	The amount to which to a Member who elects to take Severe Injury Cover and who satisfies the Injury Condition is entitled to receive in accordance with Rule B3.3 subject to the Member being engaged in work immediately preceding the commencement of the Disabling Condition
Injury Condition	A physical trauma or injury, for the avoidance of doubt not minor or soft tissue injuries, as specified in the relevant Premium Tables , where the nature of the injury is such that the Member is unable to perform the Material and Substantial Duties of the Member's Occupation and provided the Member is not following any other occupation or activity whatsoever
Material Change	The circumstances set out below: <ul style="list-style-type: none"> • any increase or decrease, or series of increases or decreases, which result in the level of the Member's Earnings varying by more than 10% of the level declared to the Society; • any increase in the Member's entitlement to income from their Occupation in the event of Disabling Condition; • any increase in the Member's entitlement to benefit which pays out in the event of incapacity from another insurer; • a change in the country where the Member resides, or in which the Member works, in either case where the change involves taking up residence or employment in a country outside the UK; • any increase, or series of increases, which result in the amount of time spent working outside the UK becoming greater than 8 weeks per Calendar Year; • a 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 their employment or a change from employed to self-employed status or vice versa). In the event of this happening then the provisions of Rule B13 shall apply; • unemployment; and/or retirement before reaching the Expiry Date of their Contract • Occupational Absence
Material and Substantial Duties	The duties that the Member ordinarily performs in their Occupation and which cannot reasonably be omitted from their Occupation by the Member or their employer
Member	A person who holds a valid in-force Contract under the Scheme and Membership shall be construed accordingly
Normal Trading Activities	All activities to do with the customary trade of the Member's business with the exclusion of gains and losses arising from the disposal of assets and investments not part of the customary trade, grants and compensation received or receivable
Occupation	Any regular trade, profession, vocation, employment or any other work, or activity declared to the Society at application or in accordance with the provisions of Rule B13 which serves, or is intended to serve, as a source of Earnings

Occupational Absence	A period of temporary absence from employment, lasting no more than one year,
Option	Each of the following is an Option : <ul style="list-style-type: none"> • Premiums (Annual Escalating or Level) • Deferred Period • Day 1 • Split Period • Indexation • Expiry Date • Severe Injury Cover • Guaranteed Insurability Option
Own Occupation Disability	A Disabling Condition , as a result of which the Member is unable to perform the Material and Substantial Duties of their Occupation (whether or not the Occupation remains available to them following payment of Benefits) and provided the Member is not following any other occupation or activity whatsoever
Payment Plan	A Payment Plan is a schedule setting out the amount of Premiums and their due dates in respect of Benefits provided by the Society
Premium	The amount payable by a Member to the Society from a choice of Options to secure Benefits under the Scheme : <ul style="list-style-type: none"> • Level: (which remain constant throughout the life of the Contract from the date on inception or relevant Variation as shown in the published Premium Tables); or • Annual Escalating: (which increase in line with age as shown in the published Premium Tables)
Premium Tables	The tables available from the Society on request setting out the rates of Premium payable by the Member to secure Cover and other miscellaneous provisions applicable to the Contract
Prescribed Form	Any form required to be completed for the Society as referred to in the Rules or this Schedule
Recovery Benefit	The proportion of Health Benefit to which a Member is entitled in accordance with Part G
Refund of Premium Benefit	The payment to a Member of all or a proportion of Premiums in accordance with Part I
Regulator	The Financial Conduct Authority, Prudential Regulation Authority or any successor(s) established by legislation to supervise the Society in the UK
Scheme	The Contract as it applies to the Member under the General Rules and Schedule 6
Severe Injury Cover	The part of the Scheme which provides for the payment of Injury Benefit during the relevant Deferred Period if selected as an Option
Society	Cirencester Friendly Society Limited whose Registered Office is at Mutuality House, The Mallards, South Cerney, Cirencester Glos. GL7 5TQ, or such other registered address as may be applicable from time to time
Short Term Benefit	Membership to which Part M applies
Society's Medical Adviser	Any registered medical practitioner or other health professional appointed by the Society

Society's Members	The Members of the Society under the Rules along with Members of the Society under any other scheme which may in the future be added by way of a further Schedule to the General Rules
Society's Representative	An employee of the Society , the Society's Medical Adviser or other persons authorised to act on behalf of the Society
Split Period	The Option to combine a Day 1 Contract with a Deferred Contract or two Deferred Contracts together to allow Health Benefit to be paid after one period has been completed and then again following the completion of the second period
Standard Benefit	Membership other than Short Term Benefit
Suited Occupation Disability	A Disabling Condition as a result of which the Member is both unable to perform the Material and Substantial Duties of the Occupation and unable to carry out some other Occupation to which the Member is suited by training, education or experience.
Taxable Profit	Net business profit for tax purposes as defined by HMRC
Terminal Illness	Advanced or rapidly progressing incurable Disabling Condition which in the opinion of the Member's Doctor or attending Consultant and the Society's Medical Adviser is likely to result in death within 12 months of the date that the Disabling Condition is diagnosed as being terminal
Terminal Illness Benefit	A single lump sum payment equivalent to 6 months Health Benefit assessed as payable under Part H of these Rules
UK	The United Kingdom of Great Britain and Northern Ireland
Underwriting	The process whereby the Society determines whether or not and on what basis it will accept any application made to it (as to which the Society will be entitled to exercise at 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, changing the terms of admission, or Variation , to an existing Contract by way of excluding and/or restricting the extent of Cover or charging additional Premiums)
Variation	A change or amendment to the Contract

NEXT SECTION: 2. INTERPRETATION



2. INTERPRETATION

In these Rules, unless the context requires otherwise, reference to one gender shall include all genders and references to the singular shall include the plural, and words in the plural include the singular

The contractual terms and conditions and other information relating to the **Scheme** will be construed in accordance with the Law of England. The **Member** submits to the exclusive jurisdiction of the English Courts

Reference in this Schedule to a Part when referring to the Rules means a Part of this Schedule 6

PART B - TERMS OF ADMISSION, MEMBER'S OPTIONS AND GENERAL DUTIES OF MEMBERS

ELIGIBILITY

- 1 To be eligible to apply for **Membership** the applicant must:
 - 1.1 be 18 years of age or over and not more than the age of 55 at the commencement of the **Contract**;
 - 1.2 live in the **UK**;
 - 1.3 be carrying on an **Occupation** within the **UK**;
 - 1.4 be able to provide at least 3 years of medical history immediately preceding the application for **Membership** from a **Doctor** within the **UK**

APPLICATION

- 2 Any application for **Membership** or **Variation** of existing **Membership** must be made in writing and shall be subject always to Rule B5
- 3 On application for **Membership** of the **Society** the applicant must:
 - 3.1 select an **Expiry Date** on which entitlement to all **Benefits** ceases from either:
 - 3.1.1 the maximum age permitted in the **Premium Tables** of the **Society** for their declared **Occupation** subject always to a minimum of 5 years remaining until the **Expiry Date** is reached; or
 - 3.1.2 to age 70, subject always to the understanding that the **Own Occupation Disability** definition will only apply in assessing the **Member's** eligibility for **Health Benefit** until they reach the maximum **Expiry Date** permitted in the **Premium Tables** of the **Society** for their declared **Occupation**, and that thereafter a **Suited Occupation Disability** definition will apply until they reach 70 years of age;
 - 3.2 specify they are applying for **Short Term Benefit** or **Standard Benefit** and (in either case) whether **Deferred Period** or **Split Period** should apply;
 - 3.3 select **Earnings Cover** appropriate to their needs and circumstances subject to the maximum **Health Benefit** payable being not more than:
 - (1) 65% of **Earnings** or such other percentage of **Earnings** as may be determined by the **Society** from time to time less the cumulative value of:
 - 3.3.1 any continuing **Earnings** assessable by **HMRC** (including P11D benefits or equivalent);
 - 3.3.2 any income protection benefit from other providers;
 - 3.3.3 any early retirement pensions payable through ill health to the **Member**;
 - 3.3.4 any other insurance against incapacity by illness or accidental injury which provide regular payment to the **Member** or **Refund of Premium** payment due to the **Member**;
 - OR** if lower than the above;
 - 3.3.5 (2) the level of **Earnings Cover** selected by a **Member** from time to time
 - 3.4 specify whether they wish to pay **Premiums** on a Level or Annual Escalating basis

- 4 The **Society** shall have the right to require from applicants for **Membership** of this **Scheme**:
 - 4.1 a medical report(s) from the applicant's **Doctor**;
 - 4.2 a birth certificate;
 - 4.3 such evidence of employment or **Occupation** and **Earnings** as may be required to the satisfaction of the **Society** that the applicant is in employment at the time of application and has **Earnings** to insure;
 - 4.4 such evidence as may be required to enable the **Society** to discharge its regulatory duties, including compliance with the Money Laundering Rules
- 5 Each application for **Membership** or **Variation** of existing **Membership** shall:
 - 5.1 unless the provisions of Rule B9 apply be subject to **Underwriting**; and
 - 5.2 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, declination or postponement of **Cover** varying the terms of admission by means of an **Excluded Condition** or restricting the extent of **Cover** or charging additional **Premiums**
6. In the event that an application for **Membership**, or **Variation** of existing **Membership** is declined or postponed or of an applicant exercising their cancellation rights in accordance with regulatory requirements any **Premium** paid by them 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

UPON ADMISSION TO MEMBERSHIP

- 7 Upon admission to **Membership** each **Member** shall, subject to the provisions of these Rules:
 - 7.1 be granted **Earnings Cover** in accordance with the level of **Premiums** payable by the **Member** and the level of **Health Benefit** receivable in accordance with Rule B3.3, and as set out in the **Premium Tables** issued by the **Society** and prevailing at the date of the application, subject to such minimum and maximum **Earnings Cover** at commencement of the **Contract** as may be determined by the **Society** from time to time;
 - 7.2 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** with a new Certificate of **Membership**)

MEMBER'S OPTIONS AND VARIATIONS TO TERMS OF MEMBERSHIP AFTER ADMISSION

- 8 A **Member** may at any time up to not less than 5 years before their **Expiry Date** increase their **Health Benefit** up to the maximum permitted by the **Society** from time to time. The following will apply:
 - 8.1 an application to increase **Health Benefit** will be subject to additional **Underwriting** and may, at the discretion of the **Society**, be at cost to the **Member** in respect of any medical report(s) in support of such application;
 - 8.2 any increase in **Health Benefit** which results directly from **Indexation** referred to in Part F of these Rules will not be subject to additional **Underwriting**. The **Health Benefit** to which a **Member** may be entitled after any such increase in their **Health Benefit** together with (if applicable) any **Deferred Period** or **Split Period** in addition thereto, shall be calculated according to the **Premium Tables** applicable at the level that applied immediately prior to the increase of such **Health Benefit**

- 9 A **Member** may at any time (including for the avoidance of doubt during any period when the **Member** has submitted a claim or is in receipt of payment of any **Benefit**):
- 9.1 decrease their **Health Benefit** subject to the minimum of **Earnings Cover** prescribed under Rule B7.1;
 - 9.2 substitute a **Day 1 Contract** with a **Deferred Contract** or a **Deferred Contract** or a **Split Period Contract** with a longer **Deferred Contract** or **Split Period Contract**;
 - 9.3 remove **Options**
- 10 A **Member** may at any time, provided always in each case they have not submitted a claim to receive **Benefit** or they are not receiving **Benefit** at the time, and subject to **Underwriting**, apply to the **Society** to:
- 10.1 increase the level of their **Cover** subject to the maximum of **Earnings Cover** prescribed under Rule B7.1;
 - 10.2 substitute a **Deferred Contract** with a **Day 1 Contract** or a shorter **Deferred Period** or a **Split Period Contract** with a shorter **Split Period Contract**;
 - 10.3 add **Options**
- 11 A **Member** may exercise the provisions of Rule B10 in the manner indicated on any number of occasions but shall not be permitted to do so in the period of 5 years before the maximum age permitted in the **Premium Tables** of the **Society** for their declared **Occupation**
- 12 In the event of a **Member** applying for a **Variation** to their terms of **Membership** of the **Society**, no such application will be entertained by the **Society** such as to result in an increase in the likelihood or in the value of claim on the funds of the **Society** in respect of any such application:
- 12.1 where the **Member** has made total claims in excess of 6 weeks during the 3 years immediately preceding the date of the application;
 - 12.2 during any period when the **Member** is claiming or in receipt of **Benefit** or not in an **Occupation**;
 - 12.3 during any period where a **Member** is not working due to a **Disabling Condition** whether or not a claim has been made to the **Society**;
 - 12.4 during any period when a **Member** is in a period of **Occupational Absence**
- 13 When a **Member** changes their **Occupation** during the lifetime of their **Contract** the following will apply:
- 13.1 when the change in **Occupation** leads to the maximum age permitted in the **Premium Tables** of the **Society** for the new **Occupation** being higher than that which applied to the **Occupation** previously declared to the **Society**, then the **Member** may apply to increase the period of time during which the **Own Occupation Disability** definition applies to reflect the change in **Occupation**. Each such application will be subject to **Underwriting** and will only be available where a minimum of 5 years remains before the new maximum age permitted in the **Premium Tables** of the **Society** for the new **Occupation**. A **Member** may exercise this **Option** in the manner indicated on any number of occasions;
 - 13.2 when the change in **Occupation** leads to the maximum age permitted in the **Premium Tables** of the **Society** for the new **Occupation** being lower than that which applied to the **Occupation** previously declared to the **Society**, then the period of time during which the **Own Occupation Disability** definition applies shall automatically be amended to reflect the change in **Occupation**
- 14 Whenever any other **Material Change** occurs during the lifetime of a **Member's Contract** the **Society** may make such changes to the terms of the **Contract** as it considers appropriate to reflect the circumstances resulting from the **Material Change**.

THE GENERAL DUTIES OF MEMBERS

- 15 Each **Member** shall:
- 15.1 inform the **Society**, as soon as reasonably possible (and in any event within 8 weeks), of any **Material Change** in their circumstances, which may affect entitlement under the terms of the **Scheme**;
 - 15.2 co-operate at all times in good faith with the **Society** in relation to all aspects of the administration of this **Scheme**;
 - 15.3 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**;
 - 15.4 provide on request by the **Society** proof of **Earnings** together with such evidence as the **Society** may reasonably require as to any entitlement to income from their **Occupation** in the event of any **Disabling Condition**;
 - 15.5 forthwith on demand repay to the **Society** and indemnify the **Society** against any overpayment of **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 base rate prevailing from time to time from the date of any request for repayment if not re-paid within 4 weeks thereof;
 - 15.6 ensure their **Cover** is appropriate to their needs and not in excess of their entitlement to **Health Benefit**
- 16 Subject to the conditions set out below, during any period of **Occupational Absence** the **Member** may apply to the **Society** to suspend all **Cover** during the period of **Occupational Absence** and reinstate their **Cover** at the end of the period of temporary absence without the requirement to be re-underwritten
- 16.1 The conditions applicable to the above are as follows:
 - 16.1.1 in all cases it shall be subject to approval by the **Society** which shall have an unfettered discretion to approve or decline the application for suspension; and
 - 16.1.2 the suspension shall be limited to a maximum period of 12 months.
 - 16.2 On application for suspension of **Cover** the **Member** is required to state the date on which **Cover** is to be restored. No subsequent requests to shorten or extend the period of suspension of **Cover** will be granted
 - 16.3 No **Benefits** will be payable, nor will they accrue, to the **Member** during the period for which **Cover** has been suspended

NEXT SECTION: PART C - PREMIUMS



PART C - PREMIUMS

- 1 Every **Member** under this **Scheme** shall pay **Premiums** to obtain **Cover** as prescribed in the relevant **Premium Tables** but shall not be permitted to simultaneously contribute under both the Level and Annual Escalating **Premium Tables**
- 2 The **Premiums** payable by the **Member** throughout the **Contract** will not exceed the rate published in the **Premium Tables** at the time the **Member** was admitted to **Membership** subject always to the choice of **Benefits** selected by the **Member** and to Rule C6 below in respect to any **Options** or **Variations** to **Membership** after admission
- 3 The **Premiums** due and payable shall be calculated by the **Society** and paid according to the terms and conditions set out in the **Scheme** and relevant **Premium Tables** adopted by the **Society** from time to time, subject to approval by the **Board**
 - 3.1 once adopted a **Premium Table**, including any of the terms or provisions thereof may only be altered by:
 - 3.1.1 a resolution of the **Society's Members** at a General Meeting of the **Society**; or
 - 3.1.2 a resolution of the **Board**
 - 3.2 any resolution to alter a **Premium Table** or any part of a **Premium Table**, including the **Options** under the **Scheme**, shall only apply to **Members** admitted after a specified date, which shall not be retrospective, subject to Rule C6, and shall in any event only become effective from the date of registration of the amendment as may be required by the **Regulator**;
 - 3.3 if a **Premium 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** which is effected under the altered **Premium Table** prior to that General Meeting
- 4 Copies of all current **Premium Tables** shall be kept at the Registered Office of the **Society** and are available free of charge to any **Member** on request
- 5 For the purpose of determining the Annual Escalating rate of **Premiums** payable, every **Member** shall, upon admission to **Membership** and upon any amendment to their **Contract**, be registered at their age attained, which age shall thereafter be increased by 1 year on the anniversary of the **Member's** birthday. For the purpose of determining the Level rate of **Premiums** payable, every **Member** shall, upon admission to **Membership** and upon any amendment to their **Contract**, be registered at their age attained. The **Society** reserves the right to amend this basis of determining the rate of **Premiums** payable in consultation with the **Actuary**
- 6 Where a **Member** varies their **Contract** after admission then the following provisions apply:
 - 6.1 the **Premium** applicable to the **Option** or **Variation** must be on the same basis as that applied from the commencement of the **Contract**;
 - 6.2 in the event of an amendment to the **Premium Table** in accordance with Rules C3 and C5 the amendment shall only apply to **Options** or **Variations** made to the **Contract** after the date such amendment to the **Premium Table** takes effect
- 7 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)
- 8 Where a **Premium** has not been received in accordance with the **Payment Plan** the **Contract** shall be deemed to be in **Arrears** and **Cover** shall be suspended. A **Payment Plan** may be issued by the **Society** prior to the commencement, or **Variation**, of **Cover** or upon request by the **Member** to vary any previously agreed **Payment Plan**

- 9 A **Member** in **Arrears** with **Premiums** shall be sent a notice of **Arrears** as soon as practicable. Any such **Member** being 2 calendar months in **Arrears** shall have a final notice sent to them warning that if all the **Arrears** are not paid within 1 calendar month of receipt of the notice (making in total 3 calendar months) and the **Premiums** brought up to date then their **Membership** shall be subject to the provisions of Rule K4. Any notice of **Arrears** sent by pre-paid post shall be deemed to have been received in accordance with **General Rule 27**
- 10 Where a **Member** is in **Arrears** then **Premiums** received shall be applied first in paying **Premiums** (or any part thereof) which have been outstanding for the longest time. All **Benefits** shall cease until all **Arrears** have been received by the **Society**
- 11 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
- 12 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**
- 13 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
- 14 For the purpose of determining whether **Cover** remains appropriate to a **Member's** circumstances the **Society** reserves the right to request proof of **Earnings** from a **Member** along with such other documentary evidence as the **Society** may require in establishing a **Member's** entitlement to income from their **Occupation** in the event of **Disabling Condition**. Where in the opinion of the **Society** the **Cover** appears not to remain applicable to a **Member's** circumstances the **Society** reserves the right to alter the **Member's Contract** to one that reflects their needs and circumstances. The **Society** will not automatically amend a **Member's Contract** without first writing to the **Member** to explain the basis of its actions. The **Member** shall retain the right to decline the amendment but must do so in writing otherwise the amendment will be made by the **Society**
- 15 For the avoidance of doubt, any references herein to receipt of any payment to the **Society** due from a **Member** refers to the crediting of the **Society's** account with such payment by way of unreserved cleared funds

NEXT SECTION: PART D - BENEFITS OF SICK MEMBERS



PART D - BENEFITS OF SICK MEMBERS

1 *Members* other than:

- 1.1 a *Member* who is retired; or
- 1.2 a *Member* who is unemployed or if self employed is not deriving any *Earnings* from such self employment;
- 1.3 a *Member* who is in a period of *Occupational Absence*, shall be entitled for so long as they satisfy the *Disabling Condition* and subject always to Rules D2, D3, D4, D8 and M1 to claim *Health Benefit* at the rate under their *Contract* with the *Society* and will be eligible to receive *Health Benefit* at a level calculated in accordance with Rule B3.3 for the duration of the claim subject to the provisions of Part G,

2 In order to claim *Members* are required to:

- 2.1 notify the *Society* of their intention to claim and submit a completed *Prescribed Form* together with the supporting evidence set out in Rule D2.2 and D2.3 in accordance with the table set out below:

<i>Contract</i> held (whichever is shorter for <i>Split Period Contracts</i>)	Notification of claim	Submission of the <i>Prescribed Form</i> and documentary evidence
Day 1	2 weeks	4 weeks
1 week	2 weeks	4 weeks
4 weeks	2 weeks	4 weeks
8 weeks	4 weeks	6 weeks
13 weeks	4 weeks	8 weeks
26 weeks	8 weeks	20 weeks
52 weeks	8 weeks	46 weeks

- 2.2 within the time period specified in D2.1, provide an original *Doctor's* certificate evidencing to the satisfaction of the *Society* the fact and date of commencement of the *Disabling Condition*; and
- 2.3 within the time period specified in D2.1 provide documentary proof of the *Member's Earnings* current at the date of commencement of the *Disabling Condition* as required by Rule D2.7.
- 2.4 Subject to Rule D2.5 in cases where the *Society* is satisfied that delay in promptly sending in the certificate or otherwise complying with the requirements of Rule D2.1 is clearly due to the relevant *Member's* sudden *Disabling Condition*, removal to hospital, serious accident or other exceptional cause, it may (but shall not be obliged to) grant an extension of time, not exceeding 2 weeks in addition to the time permitted pursuant to Rule D2.1, in order that the *Member* or someone on their 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 D2.5
- 2.5 If any *Member* who is entitled to claim *Health Benefit* by virtue of contributing for it fails to notify the *Society* (in accordance with any of the above provisions) of their eligibility to claim *Health Benefit* or fails to supply a *Doctor's* certificate or complete the *Prescribed Form* or fails to provide documentary evidence of their *Earnings*, they shall, unless the *Society* otherwise determines, not be entitled to payment of *Health Benefit* in respect of any period during which they were in default and so that any entitlement during such period shall lapse
- 2.6 The *Society* shall always have the right to have any *Member* claiming or in receipt of *Health Benefit* 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 D7 shall apply

- 2.7 For the purposes of providing satisfactory evidence of **Earnings** pursuant to the above Rules, the **Member** shall supply the following:
- 2.7.1 in the case of an employed **Member**: original documentary evidence covering the 12 month period immediately preceding onset of **Disabling Condition** in the form of printed payslips, most recent **HMRC** Form P60 and Form P11D;
 - 2.7.2 in the case of a self employed **Member**: original documentary evidence in the form of the business accounts for a 12 month period ending during the 12 month period immediately preceding onset of the **Disabling Condition**, the related income tax return as submitted to the **HMRC** and the **HMRC** tax computation (not statement); and
 - 2.7.3 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 as set out in D2.7.1 in respect of **Earnings** together with additional evidence in the form of company accounts for a 12 month period ending during the 12 month period immediately preceding onset of the **Disabling Condition**, with such other original documentary evidence of dividends paid by the company during the 12 month period ending during the 12 month period immediately preceding the commencement of the **Disabling Condition** and which represent the **Member's** share of the **Taxable Profit** derived from the **Normal Trading Activities** of that company
- 3 The payment of **Health Benefit** shall be made on such days in the month as the **Society** may from time to time determine
- 4 Where a **Member** fails to comply with the duty under Rule B15.5 the **Society** shall be entitled to recover the amount of any unreturned overpayment by deduction from and set-off against any **Benefits**, present and future, due to such **Member**
- 5 **Health Benefit** shall not be paid in respect of an **Excluded Condition** as set out within this **Scheme**, in the offer of terms of **Contract** or in relation to any **Variation** to the **Contract**
- 6 A **Member** wishing to claim any **Benefit** under any part of this **Scheme** or who is in receipt of **Health Benefit** or any other **Benefit** under any part of this **Scheme**
- 6.1 shall whenever requested by the **Society's Representative** provide:
 - 6.1.1 an original **Doctor's** certificate of continued **Disabling Condition** which must be received at the Registered Office of the **Society** within 2 weeks of expiry of the previous certificate to avoid any loss of **Benefit**;
 - 6.1.2 a written authority in order that the **Society** can obtain a medical report or any medical information from the **Member's Doctor** as to such continued **Disabling Condition** 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** inability to carry on their **Occupation** or in relation to a claim in respect of **Suited Occupation Disability**
 - 6.2 shall obey the instructions of their **Doctor** and shall answer any reasonable enquiries made by the **Society**, or the **Society's Representative**, as to the instructions given by the **Member's Doctor** and as to whether and how the same are being obeyed;
 - 6.3 shall not conduct themselves in a manner which, in the opinion of the **Society's Medical Adviser**, is likely to impede their recovery;
 - 6.4 shall permit the **Society's Representative** to visit and interview them at any reasonable times;
 - 6.5 subject to Part G, shall not undertake any work, including for the avoidance of doubt any unpaid or voluntary work;

- 6.6 shall comply with the reasonable requirements of the **Society's Representative**;
- 6.7 shall whenever requested by the **Society's Representative** provide evidence of **Earnings** as required;
- 6.8 shall provide, at their 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 D2.6 or D6 the **Society** shall be at liberty to suspend **Benefits** 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 **Benefits** for the remainder of their **Disabling Condition** and, unless the **Society** shall otherwise determine, not be entitled to payment of **Benefits** in respect of any period during which they were in default and so that any entitlement during such period shall lapse
- 8 No **Member** shall be entitled to receive **Health Benefit** from the **Society** during the following periods:
- 8.1 any **Deferred Period**;
- 8.2 where **Premiums** are in **Arrears**, during the period in which the **Member** was in default. After the **Member** has paid all their **Arrears**, the **Society** will pay any **Benefit** to which the **Member** would have been entitled but for this Rule D8.2.
- 9 In cases where a **Member** holds a **Deferred Contract**, or a combination of two **Deferred Periods** under a **Split Period Contract**, and suffers a re-occurrence of the same **Disabling Condition** within a period of 52 weeks of returning to work (or 26 weeks in the case of a **Member** with **Short Term Benefit**), then where it can clearly be shown to the satisfaction of the **Society** that the subsequent **Disabling Condition** is the same, or directly related to the initial claim, the **Member** shall not be required to serve the relevant **Deferred Period** again from the start, but such claim shall be treated as a continuation of the first claim for the purpose of calculating entitlement to **Health Benefit** under the **Contract** and for the purpose of calculating the maximum 2 year **Benefit period** for **Members** with **Short Term Benefit** under rule M1
- 10 Any **Member** suffering from any mental illness or affliction shall be entitled to the same **Benefits** and privileges and shall be subject to the same restrictions and conditions as if they were suffering from some bodily illness or incapacity
- 11 Where a **Member** is suffering from any mental illness or affliction, the **Society** may pay **Benefit** to any spouse or children dependent on them for maintenance (subject to them producing to the **Society** such authorities as it may require) or in default to the person legally responsible for the affairs of such **Member**
- 12 As a further requirement of these Rules, entitlement to payment of **Benefit** shall be dependent upon:
- 12.1 the **Society** being satisfied that the **Member** is permanently resident within the **UK** (the **Society** having taken into account for this purpose the evidence provided pursuant to Rule D12.4); and
- 12.2 the **Society** being further satisfied that the **Member** is, for so long as any claim for **Benefit** subsists, spending each night at an address in the **UK**.
- 12.3 Claims arising from **Disabling Condition** incurred or contracted while outside the **UK** shall be paid only from the date and so long as the **Member** meets the conditions of Rule D12.1 and D12.2;
- 12.4 A **Member** shall provide such information as the **Society** may reasonably require to enable the **Society** to determine whether or not a **Member** meets the conditions of Rule D12.1 and D12.2 and shall include original documentary evidence providing proof of the day to day address at which the **Member** is sleeping, tax assessments for the year 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 paid;

12.5 In the event that no verifiable medical treatment is available for the **Disabling Condition** within the **UK** the **Society** may, at its sole discretion, permit the payment of **Benefit** during the course of the medical treatment outside the **UK**.

If the **Member** has failed, within 26 weeks of the date of submission of a completed **Prescribed Form** (in accordance with Rule D2.1) for **Benefit**, to provide supporting evidence as required by the **Society** in accordance with Rules D2.2 and D2.3 for the purposes of determining whether to admit or to decline the claim, the **Society** will be entitled to reject the claim and any entitlement to **Benefit** for that claim will be forfeited

PART E - SEVERE INJURY COVER

- 1 A **Member** holding a **Deferred Contract** may elect to take **Severe Injury Cover** in order to claim **Injury Benefit** in respect of a specified **Injury Condition**, as detailed in the Product Guide, subject to acceptance by the **Society** of such **Member** to **Severe Injury Cover**. For the avoidance of doubt multiple injuries will be treated as a single condition
- 2 On acceptance to **Severe Injury Cover** a **Member** shall be required to pay **Premiums** at the rate published in the **Premium Tables** adopted by the **Society** from time to time under which the **Member** is contributing for the relevant **Deferred Period** applicable to their **Contract** with the **Society** on the same basis as that set out in Rule C2
- 3 In the event of an **Injury Condition** a **Member** who is entitled to claim **Injury Benefit** shall follow the same procedure for claim as set down in Rule D2. To be eligible to receive **Injury Benefit** a **Member** must satisfy the **Injury Condition**
- 4 **Severe Injury Cover** shall only apply up to the maximum **Expiry Date** permitted in the **Premium Tables** of the **Society** for the **Member's** declared **Occupation**. For the avoidance of doubt **Severe Injury Cover** shall not apply during any period where the **Suited Occupation Disability** definition applies
- 5 No **Member** shall be entitled to receive **Injury Benefit** from the **Society** in respect of the following:
 - 5.1 where the circumstances detailed in Rules D1.1, D1.2, D1.3 or D1.4 apply;
 - 5.2 where **Premiums** are in **Arrears**, during the period in which the **Member** was in default. After the **Member** has paid all their **Arrears**, the **Society** will pay any **Benefit** to which the **Member** would have been entitled but for this Rule E5.2;
 - 5.3 where the claim results from any event not specified in the **Premium Tables** or in relation to an **Excluded Condition**;
 - 5.4 where the **Suited Occupation Disability** definition applies
- 6 Entitlement to **Injury Benefit** shall accrue from the first day of the **Injury Condition**, subject to that **Injury Condition** lasting for more than 3 consecutive days
- 7 **Injury Benefit** shall only apply to the **Deferred Period** and is calculated in accordance with Rule B3.3 and is payable in accordance with Rule D3. For the avoidance of doubt any entitlement to **Injury Benefit** shall only arise where the **Member** would have been entitled to receive **Health Benefit** had it not been for the fact that the **Member** holds a **Contract** with a **Deferred Period**
- 9 Where a **Member**, who has made a claim under the **Severe Injury Cover Option**, returns to work and subsequently requires further time off work for a medical procedure which, in the opinion of the **Society's Medical Advisor**, is as a direct result of the initial injury and the **Member** continues to satisfy the **Disabling Condition** definition, that **Member** shall again have their claim considered from **Day 1** subject to Rules E3 and E5, provided always this occurs within 52 weeks of the initial claim for **Severe Injury Cover**
- 10 A **Member** may cancel the **Severe Injury Cover** by giving written notice to the **Society**. Entitlement to **Injury Benefit** under this **Option** shall cease immediately upon receipt of such notice by the **Society**

PART F - INDEXATION

- 1 A **Member** may apply for **Indexation** at any time up to 5 years before the maximum age permitted in the **Premium Tables** of the **Society** for their declared **Occupation** by giving written notice to the **Society**
- 2 An application for **Indexation** of **Health Benefit** may be made at application for admission to **Membership** or as a **Variation** to terms of **Membership** after admission, always subject to:
 - 2.1 **Underwriting**;
 - 2.2 not being in claim, or in the process of making a claim or receiving **Benefit**, at the time of the application
- 3 If the **Indexation Option** applies then **Health Benefit** will be reviewed annually on the anniversary of the grant of the **Option** in line with the **Index** (as last published immediately before the date of the review) subject to the following:
 - 3.1 any annual increase in **Health Benefit** will not be permitted to exceed 10%, or such other maximum percentage that the **Society** may from time to time determine;
 - 3.2 a **Member** in **Arrears** with **Premiums** shall not be entitled to benefit from **Indexation** until such time as all **Arrears** have been cleared;
 - 3.3 a **Member** who has reduced their **Health Benefit** pursuant to Rule B9, or who has suffered a reduction in their **Health Benefit** pursuant to Rule C14, shall not be entitled to benefit from **Indexation** under this Rule;
 - 3.4 in the event of a fall in the **Index**, the **Society** shall have the right to reduce the **Health Benefit** of the **Member** accordingly
- 4 In the event of an increase in the **Index** occurring in the 12 month period ending on 30 September in the year immediately preceding the review date (the anniversary of the commencement of the **Contract**) the **Health Benefit** of the **Member** shall be increased by the level of that increase provided that such increase shall be subject to the limits prescribed in Rule F3.1
- 5 Any grant or exercise of the **Indexation Option** shall:
 - 5.1 result in a pro rata increase in the level of **Premiums** payable by the **Member** in accordance with the **Premium Tables** adopted by the **Society** from time to time;
 - 5.2 take effect immediately following the review date plus the applicable **Deferred Period**
- 6 A **Member** may cancel **Indexation** any number of times by giving written notice to the **Society** that they no longer wish the **Option** to apply. On receipt of such notice **Indexation** shall cease to apply
- 7 In all cases where the **Benefits** of a **Member** are subject to any special provisions or restrictions any claim to payment of **Benefits** based in part on any increase in their **Health Benefit** as a result of **Indexation** shall be subject to the same special provisions or restrictions

NEXT SECTION: PART G - RECOVERY BENEFIT



PART G - RECOVERY BENEFIT

- 1 Any **Member** who immediately following a **Disabling Condition** for which **Health Benefit** or **Injury Benefit** 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 Condition** but continues, or will continue, to be restricted in the scope of their occupational activities; or
 - 1.2 has commenced or is in a different **Occupation** due to their inability to return to that engaged in the period of 12 months immediately preceding the onset of the **Disabling Condition**; and
 - 1.3 as a result of Rule G1.1 or G1.2 suffers a consequential reduction in **Earnings**; and
 - 1.4 requires regular ongoing supervision and treatment by the **Member's Doctor**, shall be entitled to claim **Recovery Benefit** for a maximum period of 18 months at which time all **Benefits** will cease in respect of the relevant **Disabling Condition**.
- 2 Subject to Rule G3 the **Health Benefit** or **Injury Benefit** payable under this Rule will be based on the following formula:

$$\frac{\text{Earnings on which Health Benefit entitlement based (less) new restricted Earnings}}{\text{Earnings on which Health Benefit based}} \times \text{Health Benefit entitlement} = \text{Recovery Benefit}$$

- 3 Entitlement to **Recovery Benefit** will be subject to:
 - 3.1 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
 - 3.2 certification by the **Member's Doctor** of their continued inability to fully undertake the **Occupation** engaged in the 12 month period prior to the onset of the **Disabling Condition**
- 4 Any application for **Recovery Benefit** shall be made by completion and submission of the **Prescribed Form**
- 5 Where a **Member**, who ceases to be entitled to **Recovery Benefit**, submits a new claim for **Health Benefit** or **Injury Benefit** which, in the opinion of the **Society**, is submitted with the sole intention of avoiding cessation of benefit payment, the **Society** shall be entitled to reject the new claim

NEXT SECTION: PART H - TERMINAL ILLNESS BENEFIT



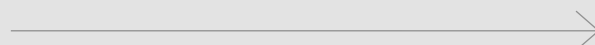
PART H - TERMINAL ILLNESS BENEFIT

- 1 A **Member** who has a valid claim for **Health Benefit** under Part D of these Rules who is diagnosed with a **Terminal Illness** may, on completion of the **Prescribed Form** within 8 weeks of notification of such diagnosis, apply to the **Society** for **Terminal Illness Benefit**
- 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**
- 3 Entitlement to the payment of **Terminal Illness Benefit** is restricted to the first diagnosis of advanced or rapidly progressing incurable **Disabling Condition** which is, in the opinion of the **Member's** attending Consultant and the **Society's Medical Adviser**, likely to result in death within 12 months of the date the **Disabling Condition** is diagnosed as being terminal
- 4 A **Member's** entitlement to be paid **Terminal Illness Benefit** is without prejudice to any other entitlement of the **Member** to any additional or further **Benefit** properly payable under the **Scheme**

PART I - REFUND OF PREMIUM BENEFIT

- 1 **Members** who are contributing to receive **Benefit** and whose claim to **Benefit** is admitted shall be entitled to **Refund of Premium Benefit** in order to have their **Premiums** refunded under this **Scheme**, in accordance with the **Premium Tables** adopted by the **Society** from time to time
- 2 Such **Members** will be entitled to **Refund of Premium Benefit** from the 29th day of **Disabling Condition** 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
- 3 Where the **Society** is paying **Recovery Benefit** under Part G of these Rules, it will pay the same proportion of the **Refund of Premium Benefit**
- 4 All **Premiums** must continue to be paid throughout the claim and **Refund of Premium Benefit** shall be effected by the way of a refund of **Premium** with the **Health Benefit** or **Injury Benefit** or **Recovery Benefit**
- 5 In the event of a claim the **Member** must follow the same procedure as set down in Part D of these Rules
- 6 The daily **Refund of Premium Benefit** shall be defined as 1/365th of the annual **Premium** for each qualifying day of **Disabling Condition**
- 7 Entitlement to **Refund of Premium Benefit** will cease from the day the **Member** ceases to be entitled to **Health Benefit** or **Injury Benefit** or **Recovery Benefit**

NEXT SECTION: PART J - GUARANTEED INSURABILITY OPTION



PART J - GUARANTEED INSURABILITY OPTION

- 1 The **Guaranteed Insurability Option** provides the **Member** with an opportunity to increase **Cover** without being subject to the **Society's Underwriting** when one of the following events occurs:
 - 1.1 every 5th anniversary of the start date of the **Contract**;
 - 1.2 on marriage or entry into a civil partnership;
 - 1.3 birth of a child to the **Member** or **Member's** partner;
 - 1.4 legal adoption of a child;
 - 1.5 on receipt of an increase in **Earnings**;
 - 1.6 on taking out or increasing a mortgage on the **Member's** primary residence.The first opportunity to increase **Benefits** will not be until 12 months following commencement of the **Contract**.
- 2 The **Premium** will increase in line with an increase in **Health Benefit** and will be costed at the **Member's** age when the change is actioned. The **Member** does not have to exercise the **Guaranteed Insurability Option**. If the **Guaranteed Insurability Option** is exercised, it will be subject to the following conditions:
 - 2.1 application must be received within 3 months of the occurrence of one of the above events and evidence of the event, to the **Society's** satisfaction, must be supplied within that time period;
 - 2.2 this option does not apply after the **Member's** 55th birthday;
 - 2.3 all existing contract terms such as **Deferred Period, Expiry Date, Indexation** will apply to any **Guaranteed Insurability Option**;
 - 2.4 any **Excluded Conditions** or loaded **Premiums** that were applied to the **Contract** when it first commenced, will also be applied to any increases under the **Guaranteed Insurability Option**, unless they have been removed or revised in the meantime;
 - 2.5 this **Option** does not apply if the **Member** is incapacitated, is claiming **Benefit** or their **Premiums** are in **Arrears**. In addition, the **Member must** not have claimed for more than 6 weeks in the past 3 years;
 - 2.6 the **Member** cannot apply for any increase if they are unemployed;
 - 2.7 the **Guaranteed Insurability Option** may not be exercised more than twice in any rolling 3 year period even if more than two of the events listed in Rule J1 occurs in that period. The maximum **Guaranteed Insurability Option** that can be applied is limited to 10% of current **Health Benefit**, per event, subject always to remaining within 65% of **Earnings**.

PART K - DISQUALIFICATIONS AND FORFEITURES OF MEMBERSHIP

- 1 The **Society** may expel any **Member**:
 - 1.1 who has knowingly made any false statement or declaration to the **Society**, whether in connection with an application for **Membership** or **Variation** to their terms of **Membership** under these Rules or in connection with a claim for **Benefits**, or otherwise deceives or attempts to deceive the **Society** whether by any fact or failing to disclose any fact which ought to have been disclosed;
 - 1.2 if in its absolute discretion it considers that (a) the **Member** is or has been in material or persistent breach of any of the Rules; or (b) that person's continued **Membership** of the **Society** is or may be detrimental or prejudicial to the interest of the **Members** generally.
 - 1.3 A **Member** shall be treated as in persistent breach of a Rule in the event that the relevant Rule has been breached on 2 or more successive occasions by the **Member** or in the event of a single breach of a Rule remaining unremedied for a period of 4 weeks or more.
 - 1.4 A **Member** shall be treated as in material breach of a Rule in the event that the breach constitutes a persistent breach or where the breach is anything other than trivial.

- 2 A **Member** who is expelled from the **Society** shall forfeit all **Premiums** paid in respect of the **Contract** to the **Society**, together with any right to claim or receive **Benefits** as at the date of their expulsion, or such part thereof as the **Society** may, at its sole discretion, decide
- 3 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 25, or considered by the Financial Ombudsman Service or any successor or other service replacing the same
- 4 Every **Member** whose **Premiums** are 3 or more months in **Arrears** shall be considered to have terminated their **Membership** and their **Membership** shall automatically lapse save that the **Society** 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**. Unless the **Society** does exercise its discretion under this rule K4, a **Member** whose **Membership** has lapsed may no longer reinstate any entitlement to **Benefit** they may previously have had by clearing their **Arrears**.

PART L - PROCEEDINGS ON DEATH AND TERMINATION OF MEMBERSHIP

- 1 On the attainment of the **Expiry Date**, or on the death of a **Member**, entitlement to all **Benefits** shall cease save for payment of any **Benefit** due at or up to age 70, or the date of death of the **Member**, which has not been paid out by the **Society**
- 2 Where a **Member** dies, any unpaid accrued **Benefit** 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 **Society** to be entitled by law to receive the same, and in the case of any dispute may be retained by the **Society** 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
- 3 Where a **Member** dies 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 **Society**
- 4 A **Member** may terminate their **Membership** by giving written notice to the **Society**. Entitlement to all **Benefits** shall cease immediately upon receipt of such notice by the **Society** but shall not affect any accrued liability of the **Society** to a **Member** or any liability of the **Member** to the **Society**

PART M - SHORT TERM BENEFIT

- 1 The maximum period a **Member** with **Short Term Benefit** may receive **Benefit** (whether in the form of **Health Benefit**, **Injury Benefit** or **Recovery Benefit** or any combination of the same) in respect of any occurrence of a **Disabling Condition** (or, if rule D9 applies, in respect of that occurrence together with any successive occurrence within a 26 week period of the same **Disabling Condition** or of a **Disabling Condition** directly related to it) is 2 years, after which their entitlement to **Benefit** for that occurrence (or successive occurrence) of that **Disabling Condition** shall cease
- 2 If at the commencement of a **Disabling Condition** as notified under rule D2.2, a **Member** with **Short Term Benefit** suffers from any other illness, injury, incapacity or disease (whether or not the other is in itself a **Disabling Condition**) all that **Member's** illnesses, injuries, incapacities or diseases shall be treated as a single **Disabling Condition** for the purposes of these Rules
- 3 If a **Member** with **Short Term Benefit** has received **Benefits** for the maximum period of 2 years in accordance with rule M1 and suffers a recurrence of the same **Disabling Condition** or of a **Disabling Condition** directly related to it, they may not claim for the recurrence unless they can demonstrate to the **Society's** satisfaction that for a continuous period of at least 26 weeks immediately prior to the recurrence they have both
 - 3.1 been free of the Disabling Condition; and
 - 3.2 engaged in their **Occupation** on substantially the same basis as before the first occurrence.Any **Deferred Period** or **Split Periods** under their **Contract** will apply to any claim for the recurrence.
- 4 A **Member** with **Short Term Benefit** who is receiving **Benefit** for a **Disabling Condition** may not claim for a different **Disabling Condition** until they have ceased to be entitled to claim for the first **Disabling Condition** and any **Deferred Period** or **Split Periods** applicable to the **Member's** claim for the new **Disabling Condition** will start from the date on which the **Member's Benefit** for the first **Disabling Condition** ends A **Member** with **Short Term Benefit** may not vary their **Membership** to **Standard Benefit** and a **Member** with **Standard Benefit** may not vary their **Membership** to **Short Term Benefit**, but in either case the **Member** may cancel their **Membership** and re-apply for **Cover** on the other basis, subject to **Underwriting**.



SCHEDULE 6

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