

INDEX OF TABLES

<u>Table</u>	<u>Product</u>	<u>Issue Date</u>	<u>Charges/Comments</u>
1.	Family Bond	Pre 6.4.79	
2.	Family Bonus Bonds (Annuity Policies)		
3.	Family Bond	Issued from 5.4.79	
4.	Family Bond		
5.	Family Bond		
6.	Family Bond	Issued from 1.1.86 – 24.2.88	
7.	Total Investment Bonds		
8.	Family Bond	Issued from 25.2.88 – 1.8.92	
9.	Family Single Premium Funding Bonds		Amended 19.2.98
10.	Appropriate Personal Pension (Freeway)		
11.	Appropriate and Non Appropriate Personal Pensions		All business transferred to Reliance Mutual 30/9/04
12.	FSAVC		All business transferred to Reliance Mutual 30/9/04
13.	Family Bond	Issued from 2.8.92 – 1.12.93	
14.	Family Bond	Issued from 2.12.93– 31.5.95	Charges as per Table 22
15.	Guaranteed Growth Bond		Relates to FLA business transferred to Reliance Mutual 30/9/04
16.	Guaranteed Income Bond		Relates to FLA business transferred to Reliance Mutual 30/9/04
17.	Family Term Assurance		Relates to FLA business transferred to Reliance Mutual 30/9/04
18.	Term Assurance (with disability/terminal – [note: FSC permission is restricted] Illness option)		Relates to FLA business transferred to Reliance Mutual 30/9/04 Amended 19/2/98
19.	Single Premium Investment Bond		Relates to FLA business transferred to Reliance Mutual 30/9/04 Amended 19/2/98
20.	Discontinued Family Life (Templeton) products		Relates to FLA business transferred to Reliance Mutual 30/9/04 Amended 19/2/98
21.	Discontinued Time Assurance products		Relates to FLA business transferred to Reliance Mutual 30/9/04 Amended 19/2/98 (ex TE fund which is still managed by FI)
22.	Family Bond	Issued from 1.6.95 – 1.3.98	1.95% - first 10 years, 1% thereafter.
23.	Family Bond	Issued from 2.3.98 – 4/03	*1.95% - 15 years then 1% *from 1/2002 - Initial charge from £120 – 110, Members 0 – 25 <ul style="list-style-type: none"> • Amended 22/7/03 <p>Note: the 13 month extension clause in section 7 was included in error. This option has not been promoted to policyholders nor should it be (in order to preserve the qualifying status of policies).</p>
24.	ISA Life Component	Issued from 6.4.99	Amended 17/4/01

Table	Product	Issue Date	Charges/Comments
25.	POIS Tax Exempt	Issued from 2/4/02	1.95% throughout and £1.40 per month admin fee throughout life of policy
26.	POIS Taxed	Issued from 2/4/02	1.95% throughout and £1.40 per month admin fee throughout life of policy
27.	POIS Money Bond	Issued from 2/4/02	1.75% throughout (discount of 0.5% applied to all policies from 7/04). Amended 12/06: Five year Guarantee applies only on those policies issued up to and including 31/12/06.
28.	Family Bond	Issued from 01/02/03	Amended 22/07/03, 21/07/2011 and 11/12/2012
28A	Junior Bond	Issued from 16/02/04	Amended 21/07/2011 and 11/12/2012
29.	PSP – Protected Savings Plan	Issued from 1/1/04	This Table was produced for launch of a 'Protected TESP' with Bristol & West in Q1 2004. Take-up was low and therefore no applications were accepted. As at 1/07 no policies have been written under this Table.
30.	Family Bond	Issued from 03/06/13	

FAMILY ASSURANCE FRIENDLY SOCIETY LIMITED

TABLES OF CONTRIBUTIONS AND BENEFITS

("the Benefit Tables")

TABLE 1 – FAMILY LIFE ASSURANCE BONDS

ISSUED PRIOR TO 6th April 1979

1. The Society shall issue to each of its members who shall apply therefor a policy of life assurance to be issued by the Society to assure the payment on the death of the applicant of a gross sum for the benefit of the member's widow or dependent child, such policy to be known as a "Family Life Assurance Bond", and if the names of the persons entitled to benefit under the policy are not inserted therein the class or description of such persons shall be stated therein with sufficient particularity to make it possible to establish the identity of all persons who at any time are entitled to benefit under the policy, in all cases the proportions in which the persons entitled to benefit under the policy are to be paid any monies payable thereunder shall also be specified therein.

All references to a 'policy' or 'policies' contained in this Benefit Table I shall be construed as references to a Family Life Assurance Bond or Bonds issued by the Society prior to 6th April, 1979.

2. There shall be deducted from the Standard Premium (as hereinafter defined) paid to the Society in respect of the first year's coverage under any policy issued by it an initial management fee of £4 and such additional expenses as shall be payable by the society by way of commission or otherwise in connection with the issue of that policy. In the event that the premiums payable under any policy shall be payable otherwise than annually, there shall be deducted from each premium payment made in respect of the first year's coverage under the policy a rateable proportion of the fees and expenses aforesaid. Any amount so deducted will be transferred (together with the membership fee and the management charges referred to in paragraph 14 of this Benefit Table) to the Management Fund referred to in the Society's Rules.

The Committee shall in its absolute discretion be entitled to waive the whole or any part of the management fees and other charges otherwise deductible from any premium payable in respect of any policy issued upon the terms of this Benefit Table.

3. Such part as the Committee shall determine of any balance of standard premium paid by any member in respect of the first year's coverage under any policy as shall remain after any deduction on account of the initial management fees and expenses referred to in paragraph 2 of this Benefit Table shall be transferred to the Ten Year Fund and shall be applied by the Society in allocating to the policy issued to such member on Ten Year Unit in the Ten Year Fund or (as appropriate) a proportionate part of such a Ten Year Unit.

During the period of nine years from the first anniversary of the commencement date of each policy the value attributable to such a Ten Year Unit or part of a Ten Year Unit allocated to such policy for the purposes of this Benefit Table shall be a percentage of the first standard premium paid under such policy, such percentage being calculated in accordance with the following table:

	Less than 1	Nil																				
Number of complete years during which premiums have been paid	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 10%; text-align: center;">1</td><td style="width: 10%; text-align: center;">10%</td></tr> <tr><td style="text-align: center;">2</td><td style="text-align: center;">20%</td></tr> <tr><td style="text-align: center;">3</td><td style="text-align: center;">30%</td></tr> <tr><td style="text-align: center;">4</td><td style="text-align: center;">40%</td></tr> <tr><td style="text-align: center;">5</td><td style="text-align: center;">50%</td></tr> <tr><td style="text-align: center;">6</td><td style="text-align: center;">60%</td></tr> <tr><td style="text-align: center;">7</td><td style="text-align: center;">70%</td></tr> <tr><td style="text-align: center;">8</td><td style="text-align: center;">80%</td></tr> <tr><td style="text-align: center;">9</td><td style="text-align: center;">90%</td></tr> <tr><td style="text-align: center;">10</td><td style="text-align: center;">100%</td></tr> </table>	1	10%	2	20%	3	30%	4	40%	5	50%	6	60%	7	70%	8	80%	9	90%	10	100%	Percentage of first standard premium where one Ten Year Unit is allocated and pro rata where a proportionate part of a Ten Year Unit is allocated
1	10%																					
2	20%																					
3	30%																					
4	40%																					
5	50%																					
6	60%																					
7	70%																					
8	80%																					
9	90%																					
10	100%																					

On the allocation date next following the tenth anniversary of the commencement date of each policy to which a Ten Year Unit is allocated there shall be transferred from the Ten Year Fund to the Life Assurance Benefit Fund an amount equal to the value of such Ten Year Unit at such date and thereupon such Ten Year Unit allocation shall cease to be allocated to such policy on such allocation date the Society shall apply the amount then transferred by it to the Life Assurance Benefit Fund in allocating to the relevant policy Life Assurance Bonus Units (as hereinafter defined) at offer price on such date.

4. Any balance of standard premium paid in respect of the first year's coverage under any policy which shall remain after deduction of the amounts specified in paragraphs 2 and 3 of this Benefit Table and each amount of standard premium subsequently paid by any member to secure benefits under this Benefit Table will be transferred to the Life Assurance Benefit Fund of the Society and will be applied by the Society in allocating to the assurance policy issued by the Society to such member "Life Assurance Bonus Units" in the said Life Assurance Benefit Fund. Subject to the Rules, the Committee shall be entitled from time to time to establish such separate additional accounts forming part of the Life Assurance Benefit Fund as it shall in its absolute discretion determine and to allocate Life Assurance Bonus Units to any policy issued thereafter by the Society in accordance with the directions of the member to whom such policy is issued so that each Life Assurance Bonus Unit so allocated shall be attributable to one or other of the accounts forming part of the Life Assurance Benefit Fund provided that no such additional account shall be established without receipt by the Committee of prior written confirmation from the Actuary that the establishment of such account will not materially prejudice the rights of existing members of the Society.

The number of Life Assurance Bonus Units to be so allocated in respect of each amount of standard premium received by the Society will be calculated by dividing such amount by the offer price of Life Assurance Bonus Units to be allocated (as determined in accordance with paragraph 7 of this Benefit Table) on the allocation date last preceding receipt by the Society of the same. In the event that the second and subsequent premiums under any policy shall be payable otherwise than annually pursuant to paragraph 14 of this Table, the amount of standard premium to be applied in allocating Life Assurance Bonus Units to such policy upon receipt of any premium payment shall be an amount calculated by dividing the standard premium payable during the first year by the number of premium payments to be made in each subsequent year.

5. The allocation of Ten Year Units and of Life Assurance Bonus Units to policies issued by the Society under this Benefit Table will be made in account only and will operate as a measure for establishing the bonus addition (if any) to be made on the member's policy as aforesaid. No person shall have a beneficial interest in any of the Ten Year Units or Life Assurance Bonus Units, from time to time allocated to a policy or in the underlying assets of the Ten Year fund or the Life Assurance Benefit Fund. Allocations of Life Assurance Bonus Units may be made in whole numbers or in fractions of a unit (as shall be appropriate) and rounding down to the nearest one-hundredth part of a unit where necessary.
6. Once at least in every calendar month the Committee shall assess the value of the assets (if any) from time to time standing to the credit of the Life Assurance Benefit Fund, and of each separate account thereof if additional accounts forming part of the said Life Assurance Benefit Fund have been established pursuant to paragraph 4 of this Benefit Table, and the amount of the liabilities (if any) from time to time debited to the said Fund and to each separate account thereof. Each such valuation shall be made on such basis as shall from time to time be agreed between the Committee and such independent appropriately qualified valuer or valuers as the Committee shall for the time being appoint and in default of such agreement as shall be recommended by the Auditor of the Society. The date of each such valuation made pursuant to this paragraph is herein referred to as an 'allocation date'.
7. The Life Assurance Bonus Units to be allocated by the Society before any allocation date has occurred will be allocated on the assumption that the offer price of each such unit is fifty pence, thereafter the offer price of each Life Assurance Bonus Unit attributable to a separate account forming part of the Life Assurance Benefit Fund on each allocation date shall be calculated by deducting from the value of the assets attributable to such account at such date the liabilities of such account at such date or otherwise making such provision as the Committee shall in its absolute

discretion think fit for such liabilities and by dividing the amount so calculated by the total number of Life Assurance Bonus Units then allocated to policies issued by the Society and attributable to such account.

The bid price of each Life Assurance Bonus Unit on each allocation date shall be such amount (not being in any event less than 98% of the offer price of such units on such date) as the Committee shall from time to time determine.

8. On one allocation date in every month, prior to the calculation of the bid and offer prices of the Life Assurance Bonus Units on such date there shall be transferred from the Life Assurance Benefit Fund to the Management Fund an amount equal to one twenty fourth (1/24th) of one per cent (1%) of the value (calculated in accordance with paragraph 6 of this Benefit Table) of the assets of the Life Assurance Benefit Fund at such date, or such other sum as the Committee acting on the advice of the Actuary may determine.
9. Upon the payment of any bonus or other amount calculated with reference to the bid price of the Life Assurance Bonus Units allocated to a policy there shall be transferred to the Management Fund the amount by which the offer price of such Units exceeds the said bid price on the date of calculation of the payment due.
10. In the event of the death of any member during the currency of any life assurance policy issued by the Society on his life, the Society shall (subject as herein provided) pay to the person or persons specified in the policy the gross sum assured by such policy plus at the discretion of the Committee a bonus equal to the amount (if any) by which the aggregate value of any Ten Year Unit and of any Life Assurance Bonus Units allocated to such policy shall exceed gross sum assured.
11. (a) Subject as hereinafter provided, upon the surrender (in whole or in part) of a policy by the member to whom such policy was issued, there shall be paid an amount equal to the value of any Ten Year Unit and of any Life Assurance Bonus Units thereupon ceasing to be allocated to the policy.

(b) Provided that during the period of ten years from the commencement date of the policy, the policy may be surrendered in whole only and the amount payable upon surrender will not in any event exceed the aggregate amount of the premiums paid by the member in respect of such policy to the Society prior to the date of surrender.

(c) Any surrender shall be affected in writing on a form provided by the Society for the purpose. Each such form shall be delivered to the Society at its Registered Office and shall have effect upon the date that the same is received by the Society or upon such later date as may be therein specified.
12. For the purposes of paragraphs 10 and 11 of this Benefit Table, the values of the Life Assurance Bonus Units allocated to any policy shall be calculated at the bid price of such units on the allocation date next following receipt by the Society of notification of the death of the member assured or the date on which any surrender takes effect (as the case may be).
13. Premiums will be payable to the Society in respect of each policy issued by it upon the terms of this Benefit Table for a period of ten years from the commencement date of such policy or until death of the member if that occurs in that period. The amount of 'standard premium' shall be calculated in accordance with one of the following tables as specified by the member at the time of his application for membership:

TABLE A

Age next birthday of member at entry	Standard premium payable each year for ten years or until death of member if before the end of that period in respect of each £500 gross sum assured and pro rata for any other sum assured
Up to 29	£33
30 – 34 Inclusive	£36
35 – 39 Inclusive	£39
40 – 44 Inclusive	£42
45 – 49 Inclusive	£46
50 – 54 Inclusive	£50
55 – 60 Inclusive	£55
Over 60	As quoted from time to time by the Society after consultation with the Actuary

TABLE B

Age next birthday of member at entry	Monthly instalment of Standard Premium payable for ten years until death of member if before the end of that period in respect of each £500 gross sum assured and pro rata for any other sum assured
Up to 44	£5
45 – 60	£5.50
Over 60	As quoted from time to time by the Society after consultation with the Actuary.

Provided that where a member is resident in the United Kingdom and entitled to relief under Section 460 of the Income and Corporation Taxes Act, 1988 (or any statutory modification or re-enactment thereof) then unless such member specifically directs otherwise:

- (a) the gross amount of each premium payable to the Society by such member on or after 6th April, 1979 shall be the standard premium specified above increased to such sum as after deduction of 12.5% (or such other percentage rate as shall be the rate of life assurance premium relief for the time being in force) thereof equals the standard premium specified above;
- (b) such member's liability to pay premiums to the Society shall be discharged by the payment of 82.5% or such other percentage rate as shall equal 100% less the rate of life assurance premium relief for the time being in force of the gross amount thereof, and
- (c) every amount which the Society shall from time to time recover from the Commissioners of Inland Revenue in respect of premiums paid by such member shall, unless the same is applied for the purposes mentioned in paragraph 3 of this Benefit Table, be transferred to the Life Assurance Benefit Fund and applied in allocating to the policy to which the amount recovered relates Life Assurance Bonus Units at the offer price on the date of such transfer in accordance with the directions of such member given for the purposes of paragraph 4 of this Benefit Table.

The Society (or the person or persons appointed by the Committee for the purpose) shall be entitled to charge such amounts by way of premiums in addition to the standard premium specified above in relation to any application received by it if it shall consider such additional charge to be justified by the state of health of the member to be assured or otherwise. Each such additional amount shall be transferred to such one of the sub-funds of the Life Assurance

Fund as the Committee shall consider fit. Provided that ten years' premiums are paid each policy issued by the Society shall continue to assure the gross sum and bonus (if any) as provided in paragraph 10 of this Benefit Table and in the policy until such time (prior to the death of the member assured) as the policy shall be surrendered.

14. At the option of the applicant for membership the premium contributions payable by him may be paid quarterly or at such other intervals as the Society shall from time to time approve. Where premiums are payable otherwise than annually, they shall be payable by such method as the Society shall from time to time approve. Provided that there shall be payable in addition to each premium payment (other than an annual premium) an additional management charge of 15 pence and such other additional charge (if any) as the Committee shall from time to time determine in relation to policies issued after the date of any such determination. All such additional management charges as aforesaid shall be transferred to the Management Fund of the Society.
15. A period of grace of one calendar month from the due date of payment will be allowed for the payment of each premium payment. If at any time after the first year's premiums have been paid in full any premium is not paid within the days of grace, the member's policy will be made paid-up with effect on and from the due date of such unpaid premium. In the event of the death of the member assured after the policy shall have been made paid-up, the amount payable under such policy shall be the gross sum and bonus (if any) payable pursuant to paragraph 10 or (if less):
 - (a) the value at the date on which the policy was made paid-up which was then attributable to any Ten Year Unit allocated to the policy; and
 - (b) the value at bid price on the allocation date next following the date of the relevant event of the Life Assurance Bonus Units (if any) allocated to the policy.

In the event of death of any member during any period of grace, any premium then due but unpaid will be deducted from the gross sum assured by such member's policy.
16. Neither the member nor the person for whose benefit any policy shall be issued shall be entitled to enter into any assignment (either in whole or in part) of or relating to any benefit assured by such policy.
17. If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated but on becoming payable the gross sum assured and any other amount payable on death, surrender or otherwise, will be adjusted in accordance with the advice of the Actuary.
18. Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the receipt either of the member to whom such policy is issued or of the personal representatives of such member and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.
19. The Society shall incur no liability for doing or (as the case may be) failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto or of any decree, order or judgement of any Court or by reason of any request or pronouncement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any Government (whether legally constituted or otherwise) the Society shall be requested or directed to do or perform or to forbear from doing or performing.

TABLE II – TABLE OF CONTRIBUTIONS AND BENEFITS
RELATING TO FAMILY BONUS BONDS
(FORMERLY KNOWN AS FAMILY ANNUITY POLICIES)

(A unit-linked whole of life assurance policy with premiums limited to 10 years from outset but extendable beyond the period of 10 years on written request)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of life assurance to be issued by the Society to assure the payment on the death of the applicant of an annuity for the benefit of the member's widow or widower or dependent child or children, such policy to be known as a 'Family Bonus Bond'. Each eligible member may have an initial guaranteed annuity of up to £416 per annum payable for ten years following the death of that member. This limit, which is the same as that imposed by law, disregards any bonus or addition declared above the initial guaranteed annuity and may itself be varied in accordance with any applicable change of law, provided that nothing in this sentence shall permit any variation of the guaranteed annuity under any contract existing at the time of such change of law. On the issue of a policy the annuity guaranteed under that policy may be reduced by such amount as the Committee shall determine on the advice of the Actuary in respect of age, health or other special risk, or the Committee may alternatively charge an additional premium in respect of such additional risk. Any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

2. PREMIUMS

- 2.1 Premiums are payable either annually or monthly. The premiums for monthly paid policies effected on or after 1st March 1983, shall be payable by direct debit authority only. The premiums for all other policies may also be paid by bank standing order or as directed from time to time by the Committee.
- 2.2 The standard rate for annual premiums shall be £416 in respect of a full bond which will provide an initial guaranteed annuity payable for ten years following the death of the member of £416 per annum. The equivalent monthly premium shall be £34.66. Where the guaranteed annuity payable is less than £416 the premiums will be reduced pro-rata. Where premiums are payable monthly there shall be payable in addition to each premium payment a monthly handling charge of 15 pence in respect of each annuity assured of £208 or part thereof.
- (a) In respect of policies issued after 31st May 1984, the standard rate for annual premiums shall be £156.00, which will provide an initial guaranteed annuity payable for 10 years following the death of the member of £156.00 per annum. The equivalent monthly premium shall be £13.00 plus a monthly handling charge of £1 or such lower sum as the Committee, acting on the advice of the Actuary, shall decide.
- 2.3 The premium rates and sums assured referred to above are subject to revision by the Committee as allowed by future legislation, but any such revision will have no effect on the eligibility or entitlements of existing members whose policies were effected within the scope of this Table.
- 2.4 Premiums will be payable to the Society in respect of each policy issued by it upon the terms of this Benefit Table for a period beginning on the commencement date of such policy and ending on the date when the member attains an age ten calendar years greater than that attained by him on the said commencement date or (if earlier) on the date of death of the member, provided that if the member shall so elect he may continue

to pay premiums to the Society in respect of his policy after the expiry of the period of ten years from the commencement date of the policy upon the same terms as to the amount and frequency of the standard rate of premium payable by him as were applicable to the policy prior to the expiry of such period.

3. ALLOCATION OF GROSS PREMIUMS

- 3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Attained age of member at entry	Proportion of first year's premium deducted	Proportion of second and each subsequent year's premiums deducted
16 – 44 Inclusive	66 2/3%	8 1/3%
45 – 70 Inclusive	75%	8 1/3%

All such deductions, whether applicable from commencement date or policy anniversary, form a prior claim on the premiums payable. The above deductions will be calculated on premiums net of any relevant monthly handling charge referred to in paragraph 2.2(a) of this Benefit Table. Any amount deducted in accordance with this paragraph will be transferred, together with the monthly handling charge referred to above, the amounts referred to in paragraphs 4.7 and 4.8 of this Benefit Table and the membership fee, to the Management Fund.

- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued upon the terms of this Benefit Table.
- 3.3 The balance of all premiums shall be paid to a sub-fund of the Life Assurance Fund known as the Life Annuity Benefit Fund, and shall be deemed to be applied in the purchase of members' units in accordance with paragraph 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 The Life Annuity Benefit Fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the sole purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest in the funds invested in the Life Annuity Benefit Fund on any person.
- 4.2 Units may be allocated to a member either because of the purchase of units out of the balance of premiums available as in paragraph 3.3 above or, at the discretion of the Committee, by bonus addition to the amount of units already allocated to a member, save that such bonus addition shall not reduce the offer price of units by reason only of the bonus addition.
- 4.3 At least once in each calendar month, the Committee will arrange for the Life Annuity Benefit Fund to be valued ("the allocation date") and the offer price of the units shall be calculated on each allocation date by dividing the total value of the Life Annuity Benefit Fund at that date by the total number of units in issue at that date.
- 4.4 There shall be allocated to the policy issued to each member units in the Life Annuity Benefit Fund. The number of units to be so allocated will be calculated by dividing that part of a member's premiums paid to Life Annuity Benefit Fund by the offer price ruling at the date that the relevant premium is paid.
- 4.5 The bid price of units will also be determined by the Committee on each allocation date and will not be less than 98% of the offer price of such units.

- 4.6 Any fractional amount of units created under the foregoing sub-graphs shall be rounded to the nearest one-hundredth part of a unit.
- 4.7 On one allocation date in every month prior to the calculation of the bid and offer prices of the units on such date, there shall be transferred from the Life Annuity Benefit Fund to the Management Fund an amount equal to one twenty-fourth (1/24th) of one per cent (1%) of the value of the net assets of the Life Annuity Benefit Fund at such date or such other percentage as the Committee acting on the advice of the Actuary shall determine.
- 4.8 Upon the payment of any bonus or other amount calculated with reference to the bid price of the units allocated to a policy, there shall be transferred to the Management Fund the amount by which the offer price of such units exceeds the said bid price on the date of calculation of the payment due.

5. **SUM PAYABLE ON DEATH**

The sum payable on death shall, at the discretion of the Committee, be the greater of:

- 5.1 the initial guaranteed annuity payable or,
- 5.2 an annuity payable for a minimum of 10 years which could be purchased from an amount based on the number of units allocated to a policy at the date of death valued at the appropriate bid price, save that in the case of a paid-up policy the annuity payable will be based solely on the number of units allocated to a policy valued at the appropriate bid price.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - (b) a member gives notice of his intention to cease payment of premiums; or
 - (c) the full amount of premiums due under the policy has been received; or
 - (d) the member dies.
- 6.2 The premiums cease in the circumstances described in paragraph 6.1 above are as follows:
- (a) If less than one year's premiums have been paid no benefits will be payable and the policy will be deemed to have lapsed.
 - (b) After payment of at least one year's premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to his policy.
 - (c) In lieu of the benefit in (b) above a member may elect to surrender his policy in whole or in part and receive a cash amount based on the appropriate bid value of the units surrendered provided that, if the policy is surrendered within ten years of its commencement, the whole of the policy must be surrendered and the cash amount shall not exceed the amount of premiums paid.

- (d) Any surrender shall be affected in writing on a form provided by the Society for the purpose. Each such form shall be delivered to the Society at its Registered Office and shall have effect upon the date that the same is received by the Society or upon such later date as may therein specified.
- (e) In the case of the death of a member or upon the surrender of a policy the appropriate bid price shall be the unit price ruling at the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.

6.3 Members may wish and are allowed on becoming non-resident in the United Kingdom to commute all future premiums due under the policies; in which case the remaining renewal premiums, or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases. This amount should be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

7. GENERAL

- 7.1 Neither the member nor the person for whose benefit any policy is issued shall be entitled to assign (either in whole or in part) any benefit assured under such policy.
- 7.2 If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the annuity payable and any other amount payable on or subsequent to death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 7.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE III - TABLE OF CONTRIBUTIONS AND BENEFITS
RELATING TO FAMILY LIFE ASSURANCE BONDS ISSUED AFTER

5th APRIL 1979

(A unit-linked whole of life assurance policy with
premiums limited to ten years from outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of life assurance to be issued by the Society to assure the payment on the death of the applicant of a gross sum for the benefit of the member's widow or widower or dependant child or children, such policy to be known as a "Family Life Assurance Bond". Each eligible member may have up to £2,000 of initial sum assured on the death of that member. This limit, which is the same as that imposed by law, disregards any bonus or addition declared above the initial sum assured and may itself be varied in accordance with any applicable change of law, provided that nothing in this sentence shall permit any variation of the sum assured under any contract existing at the time of such change of law. On the issue of a policy the initial sum assured under that policy may be reduced by such amount as the Committee shall determine on the advice of the Actuary in respect of age, health or other special risk; or the Committee may alternatively charge an additional premium in respect of such additional risk. Any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

2. PREMIUMS

- 2.1 Premiums are payable either annually or monthly. The premiums for monthly paid policies effected on or after 1st March 1983 shall be payable by direct debit authority only. The premiums for all other policies may also be paid by bank standing order or as directed from time to time by the Committee.
- 2.2 The standard rate for annual premiums shall be £266 in respect of a full bond which will provide an initial sum assured payable on the death of the member of £2,000 and the equivalent monthly premium shall be £22.16. Where the initial sum assured is less than £2,000, the premiums will be reduced pro rata. Where premiums are payable monthly, there shall be payable in addition to each premium payment a monthly handling charge of 15 pence in respect of each £1,000 of sum assured or part thereof.
- 2.3 The premiums shown above are gross amounts and members eligible for Life Assurance Premium Relief shall pay each amount net of that relief at the rate in force from time to time. Alternatively, if the Committee shall so decide a member may pay a fixed net (after tax relief) annual premium of £220 per £2,000 initial sum assured and pro rata for any other initial sum assured.
- 2.4 The premium rates and sums assured referred to above are subject to revision by the Committee as allowed by future legislation – but any such revision will have no effect on the eligibility or entitlements of existing members whose policies were effected within the scope of this Table.
- 2.5 Premiums will be payable to the Society in respect of each policy issued by it upon the terms of this Benefit Table for a period beginning on the commencement date of such policy and ending on the date when the member attains an age ten calendar years greater than that attained by him on the said commencement date or (if earlier) on the date of death of the member.

3. ALLOCATION OF GROSS PREMIUMS

- 3.1 There shall be deducted from each gross premium paid to the Society an amount calculated in accordance with the following table:

Attained age of member at entry	Proportion of first year's premium deducted	Proportion of second and each subsequent year's premiums deducted
16 – 44 Inclusive	66 2/3%	8 1/3%
45 – 70 Inclusive	75%	8 1/3%

All such deductions, whether applicable from commencement date or policy anniversary, form a prior claim on the premiums payable. The above deductions will be calculated on premiums net of any relevant monthly handling charge referred to in paragraph 2.2 of this Benefit Table. Any amount deducted in accordance with this paragraph will be transferred, together with the monthly handling charge referred to above, the amounts referred to in paragraphs 4.7 and 4.8 of this Benefit Table and the membership fee, to the Management Fund.

- 3.2 The committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued upon the terms of this Benefit Table.
- 3.3 The balance of all premiums shall be paid to the Life Assurance Benefit Fund and shall be deemed to be applied in the purchase of members' units in accordance with paragraph 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 The Life Assurance Benefit Fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the sole purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest in the funds invested in the Life Assurance Benefit Fund on any person.
- 4.2 Units may be allocated to a member either because of the purchase of units out of the balance of premiums available as in paragraph 3.3 above or, at the discretion of the Committee by bonus addition to the amount of units already allocated to a member, save that such bonus addition shall not reduce the offer price of units by reason only of the bonus addition.
- 4.3 At least once in each calendar month, the Committee will arrange for the Life Assurance Benefit Fund to be valued ("the allocation date") and the offer price of the units shall be calculated on each allocation date by dividing the total value of the Life Assurance Benefit Fund at that date by the total number of units in issue at that date.
- 4.4 There shall be allocated to the policy issued to each member units in the Life Assurance Benefit Fund. The number of units to be so allocated will be calculated by dividing that part of a member's premiums paid to Life Assurance Benefit Fund by the offer price ruling at the date that the relevant premium is paid.
- 4.5 The bid price of units will also be determined by the Committee on each allocation date and will not be less than 98% of the offer price of such units.
- 4.6 Any fractional amount of units created under the foregoing sub-paragraphs shall be rounded to the nearest one-hundredth part of a unit.

- 4.7 On one allocation date in every month prior to the calculation of the bid and offer prices of the units on such date, there shall be transferred from the Life Assurance Benefit Fund to the Management Fund an amount equal to one twenty-fourth (1/24th) of one per cent (1%) of the value of the net assets of the Life Assurance Benefit Fund at such date or such other percentage as the Committee acting on the advice of the Actuary shall determine.
- 4.8 Upon the payment of any bonus or other amount calculated with reference to the bid price of the units allocated to a policy, there shall be transferred to the Management Fund the amount by which the offer price of such units exceeds the said bid price on the date of calculation of the payment due.

5. **SUM PAYABLE ON DEATH**

The sum payable on death shall, at the discretion of the Committee, be the greater of:

- 5.1 the initial sum assured, or
- 5.2 an amount based on the number of units allocated to a policy at the date of death valued at the appropriate bid price, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to a policy valued at the appropriate bid price.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - (b) a member gives notice of his intention to cease payment of premiums; or
 - (c) the full amount of premiums due under the policy has been received; or
 - (d) the member dies.
- 6.2 The benefits where premiums cease in the circumstances described in paragraph 6.1 above are as follows:
- (a) if less than one year's premiums have been paid no benefits will be payable and the policy will be deemed to have lapsed;
 - (b) after payment of at least one year's premiums, the member shall be entitled to a paid-up policy with such units as the committee shall determine and no further units shall be allocated to his policy;
 - (c) in lieu of the benefit in (b) above, a member may elect to surrender his policy in whole or in part and receive a cash amount based on the appropriate bid value of the units surrendered provided that, (i) if the policy is surrendered within ten years of its commencement, the whole of the policy must be surrendered and the cash amount shall not exceed the amount of premiums paid; and (ii) if the policy is surrendered within four years of its commencement the cash amount may also be restricted by claw back by the Inland Revenue of some or all of the Life Assurance Premium Relief given;
 - (d) any surrender shall be effected in writing on a form provided by the Society for the purpose. Each such form shall be delivered to the Society at its Registered Office and shall have effect upon the date that the same is received by the Society or upon such later date as may be therein specified;

- (e) in the case of the death of a member or upon the surrender of a policy, the appropriate bid price shall be the unit price ruling at the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.

6.3 Members may wish and are allowed on becoming non-resident in the United Kingdom to commute all future premiums due under their policies in which case the remaining renewal premiums, or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid gross to the Society. Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases. This amount should be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

7. **GENERAL**

7.1 Neither the member nor the person for whose benefit any policy is issued shall be entitled to assign (either in whole or in part) any benefit assured under such policy.

7.2 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.

7.3 Notwithstanding the benefit interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the receipt either of the member to whom such policy is issued, or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE IV – TABLE OF CONTRIBUTIONS AND BENEFITS
RELATING TO FAMILY SAVINGS POLICIES

(A whole of life assurance policy with premiums limited
to ten years from outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of life assurance to be issued by the Society to assure the payment on the death of the applicant of a gross sum for the benefit of the member's widow or widower or dependent child or children, such policy to be known as a "Family Savings Policy". Each eligible member may have up to £2,000 of initial sum assured on death of that member. This limit, which is the same as that imposed by law, disregards any bonus or addition declared above the initial sum assured and may itself be varied in accordance with any applicable change of law, provided that nothing in this sentence shall permit any variation of the sum assured under any contract existing at the time of such change of law. On the issue of a policy the initial sum assured under that policy may be reduced by such amount as the Committee shall determine on the advice of the Actuary in respect of age, health or other special risk, or the Committee may alternatively charge an additional premium in respect of such additional risk. Any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

2. PREMIUMS

- 2.1 Premiums are payable either annually or monthly. The premiums for monthly paid policies effected on or after 1st March 1983, shall be payable by direct debit authority only. The premiums for all other policies may also be paid by bank standing order or as directed from time to time by the Committee.
- 2.2 The standard rate for annual premiums shall be £290.90 in respect of a full policy which will provide an initial sum assured on the death of the member of £2,000 and the equivalent monthly premium shall be £24.24. Where the initial sum assured is less than £2,000 the premiums will be reduced pro rata.
- 2.3 The premiums shown above are gross amounts and members eligible for Life Assurance Premium Relief shall pay each amount net of that relief at the rate in force from time to time. Alternatively, if the Committee shall so decide a member may pay a fixed net (after tax relief) annual premium of £240 per £2,000 initial sum assured and pro rata for any other initial sum assured.
- 2.4 The premium rates and sums assured referred to above are subject to revision by the Committee as allowed by future legislation, but any such revision will have no effect on the eligibility or entitlements of existing members whose policies were effected within the scope of this Table.
- 2.5 Premiums will be payable to the Society in respect of each policy issued by it upon the terms of this Benefit Table for a period beginning on the commencement date of such policy and ending on the date when the member attains an age ten calendar years greater than that attained by him on the said commencement date or (if earlier) on the date of death of the member.

3. ALLOCATION OF GROSS PREMIUMS

- 3.1 There shall be deducted from the first year's gross premium paid to the Society an amount calculated in accordance with the following table.

Attained age of member at entry	Proportion of first year's premium deducted
16 – 44 Inclusive	83.5%
45 – 70 Inclusive	91.75%

All such deductions form a prior claim on the premiums payable. Any amount deducted in accordance with this paragraph will be transferred, together with the amounts referred to in paragraphs 4.3 and 4.4 of this Benefit Table and the membership fee to the Management Fund.

- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued upon the terms of this Benefit Table.
- 3.3 The balance of all premiums shall be paid to the Life Assurance Savings Fund and shall be deemed to be attributed to the 'members' account' in accordance with paragraph 4 below.

4. VALUATION OF POLICIES

- 4.1 The Committee shall adopt such measures as they think fit for assessing the value of the assets (if any) from time to time standing to the credit of the Life Assurance Savings Fund and for establishing the value of the proportion of such assets which shall from time to time be attributable to the assurance policy issued by the Society to a member. The value of the assets from time to time attributable to such member as aforesaid shall be recorded in an account maintained for the purpose and referred to herein as 'the member's account'.
- 4.2 The determination of the amount from time to time standing to the credit of the member's account will operate solely as a measure for establishing the bonus addition (if any) to be made on the policy issued by the Society to such member. The member shall have no beneficial interest in the amount from time to time standing to the credit of the member's account as aforesaid or in the underlying assets of the Life Assurance Savings Fund.
- 4.3 Upon the first anniversary of the commencement date of each policy issued upon the terms of this Benefit Table and upon each subsequent such anniversary up to and including the ninth such anniversary, there shall be transferred from the Life Assurance Savings Fund to the Management Fund the sum of five pounds (£5) in respect of each £1,000 of initial sum assured or part thereof and the member's account shall thereupon be decreased by an amount equal to the amount so transferred to the Management Fund.
- 4.4 If any policy issued upon the terms of this Benefit Table shall remain in force after the expiry of ten years from the commencement date of such policy, then at half yearly intervals thereafter, commencing on the tenth anniversary of such commencement date, there shall be transferred from the Life Assurance Savings Fund to the Management fund an amount equal to three-quarters (3/4) of one per cent (1%) or such other percentage as the Committee acting on the advice of the Actuary shall determine, of the amount standing to the credit of the member's account immediately prior to such transfer and the member's account shall thereupon be decreased by an amount so transferred to the Management Fund.

5. **SUM PAYABLE ON DEATH**

The sum payable on death shall, at the discretion of the Committee, be the greater of:

- 5.1 the initial sum assured, or
- 5.2 an amount based on the value of assets attributable to the member's account at the date of death, save that in the case of a paid-up policy the amount payable will be based solely on the value of assets attributable to the member's account.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
 - (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - (b) a member gives notice of his intention to cease payment of premiums; or
 - (c) the full amount of premiums due under the policy has been received; or
 - (d) the member dies.
- 6.2 The benefits where premiums cease in the circumstances described in paragraph 6.1 above are as follows:
 - (a) if less than one year's premiums have been paid no benefits will be payable and the policy will be deemed to have lapsed;
 - (b) after payment of at least one year's premiums, the member shall be entitled to a paid-up policy with such value as the Committee shall determine;
 - (c) in lieu of the benefit in (b) above, a member may elect to surrender his policy in whole or in part and receive a cash amount based on the value of assets in the member's account surrendered provided that (i) if the policy is surrendered within ten years of its commencement the whole of the policy must be surrendered and the cash amount shall not exceed the amount of premiums paid; and (ii) if the policy is surrendered within four years of its commencement, the cash amount may also be restricted by clawback by the Inland Revenue of some or all of the Life Assurance Premium Relief given;
 - (d) any surrender shall be effected in writing on a form provided by the Society for the purpose. Each such form shall be delivered to the Society at its Registered Office and shall have effect upon the date that the same is received by the Society or upon such later date as may be therein specified.
- 6.3 Members may wish and are allowed on becoming non-resident in the United Kingdom to commute all future premiums due under their policies in which case the remaining renewal premiums, or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid gross to the Society. Investment will be made according to the date of receipt of the full commuted premium amount in all cases. This amount should be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

7. **GENERAL**

- 7.1 Neither the member nor the person for whose benefit any policy is issued shall be entitled to assign (either in whole or in part) any benefit assured under such policy.

- 7.2 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 7.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the receipt either of the member to whom such policy is issued, or of the personal representatives of such member, and such member or his personal representatives (as the case maybe) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE V – TABLE OF CONTRIBUTIONS AND BENEFITS
RELATING TO FAMILY ENDOWMENT ASSURANCE BONDS

(A 10-year unit linked endowment assurance policy)

1. BENEFITS

The Society shall issue to each of its adult members who shall apply therefor a policy of endowment assurance to be issued by the Society to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. Each eligible member may have an initial sum assured not exceeding £760. This limit, which is the same as that imposed by law, disregards any addition declared by way of bonus or unit linking above the initial sum assured and may itself be varied in accordance with any applicable change of law provided that nothing in this sentence shall permit any variation of the sum assured under any contract existing at the time of such change of law. On the issue of a policy the initial sum assured under that policy may be reduced by such amount as the Committee shall determine on the advice of the Actuary in respect of health or other special risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years the initial sum assured may be reduced by 2% of the total premiums which would be payable if the policy were to run for 10 years for each year of the excess.

Alternatively, the Committee may charge an additional premium in respect of such additional risk. Any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the tenth anniversary of the date on which the first premium was due and paid or such later date as chosen by the member such date not to be later than the eighty-fifth birthday of the member.

2. PREMIUMS

- 2.1 Premiums are payable either annually or monthly. The premiums for monthly paid policies shall be payable by direct debit authority only. The premiums for all other policies may also be paid by bank standing order or as directed from time to time by the Committee.
- 2.2 The standard rate for annual premiums shall be £100 in respect of a full bond which will provide an initial sum assured of £750 and the equivalent monthly premium shall be £8.33 plus a monthly handling charge of £0.67p or such lower sum as the Committee acting on the advice of the Actuary shall decide. Where the initial sum assured is other than £750 the premiums will be adjusted pro rata.
- 2.3 The premium rates and sums assured referred to above are subject to revision by the Committee as allowed by future legislation but any such revision will have no effect on the eligibility or entitlements of existing members whose policies were effected within the scope of this Table.
- 2.4 Premiums will be due and payable to the Society in respect of each policy issued by it upon the terms of this Benefit Table for a period beginning on the commencement date of such policy and ending on the tenth anniversary of the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Attained age of member at entry	Proportion of first year's premium deducted	Proportion of second and each subsequent year's premiums deducted
18 – 44 Inclusive	66 2/3%	8 1/3%
45 – 60 Inclusive	75%	8 1/3%
61 – 65 Inclusive	83 1/3%	8 1/3%
66 – 70 Inclusive	91 2/3%	8 1/3%

All such deductions whether applicable from commencement date or policy anniversary form a prior claim on the premiums payable. The above deductions will be calculated on premiums net of any relevant monthly handling charge referred to in paragraph 2.2 of this Benefit Table.

Any amount deducted in accordance with this paragraph will be transferred together with the monthly handling charge referred to above the amounts referred to in paragraphs 4.7 and 4.8 of this Benefit Table and the membership fee to the Management Fund.

- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued upon the terms of this Benefit Table.
- 3.3 The balance of all premiums shall be paid to a sub-fund of the Life Assurance fund known as the Life Assurance Benefit Fund and shall be deemed to be applied in the purchase of members' units in accordance with paragraph 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 The Life Assurance Benefit Fund, together with any sub-funds thereof, is a sub-fund of the Life Assurance fund and is a separately identifiable account maintained by the Society for the sole purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest in the funds invested in the Life Assurance Benefit Fund on any person.
- 4.2 Units may be allocated to a member either because of the purchase of units out of the balance of premiums available as in paragraph 3.3 above or at the discretion of the Committee by bonus addition to the amount of units already allocated to a member save that such bonus addition shall not reduce the offer price of units by reason only of the bonus addition.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for the Life Assurance Benefit Fund to be valued on such a basis as the Committee may from time to time decide subject to the approval of the actuary and the offer price of the units shall be calculated on each allocation date by dividing the total value of the Life Assurance Benefit Fund at that date by the total number of units in issue at that date.
- 4.4 There shall be allocated to the policy issued to each member units in the Life Assurance Benefit Fund. The number of units to be so allocated will be calculated by dividing that part of a member's premiums paid to the Life Assurance Benefit Fund by the offer price ruling at the date that the relevant premium is paid.
- 4.5 The bid price of units will also be determined by the Committee on each allocation date and will not be less than 98% of the offer price of such units.
- 4.6 Any fractional amount of units created under the foregoing sub-paragraphs shall be rounded to the nearest one-hundredth part of a unit.

- 4.7 On one allocation date in every month prior to the calculation of the bid and offer prices of the units on such date there shall be transferred from the Life Assurance Benefit Fund to the Management Fund an amount equal to one twenty-fourth (1/24th) of one per cent (1%) of the value of the net assets of the Life Assurance Benefit Fund at such date or such other percentage as the Committee of Management acting on the advice of the Actuary shall determine.
- 4.8 On the allocation of units in the Life Assurance Benefit Fund, there shall be transferred to the Management Fund the amount by which the offer price of such units exceeds the bid price of those units on the date of such allocation.

5. SUM PAYABLE ON MATURITY OR DEATH

The sum payable on maturity or death shall at the discretion of the Committee be:

- 5.1 an amount based on the number of units allocated to a policy at the date of death or maturity valued at the approximate bid price or
- 5.2 if greater in the case of death only the initial sum assured save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to a policy valued at the appropriate bid price.

6. CESSATION OF PREMIUMS

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - (b) a member gives notice of his intention to cease payment of premiums; or
 - (c) the full amount of premiums due under the policy has been received; or
 - (d) the member dies.
- 6.2 The benefits where premiums cease in the circumstances described in sub-paragraph 6.1(a), (b) and (c) above are as follows:
- (a) If less than one year's premiums have been paid no benefits will be payable and the policy will be deemed to have lapsed.
 - (b) After payment of at least one year's premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to his policy.
 - (c) In lieu of the benefit in (b) above a member may elect to surrender his policy in whole or in part and receive a cash amount based on the appropriate bid value of the units surrendered provided that, if the policy is surrendered within 7.5 years of its commencement, the whole of the policy must be surrendered and the cash amount will not exceed the amount of premiums paid.
 - (d) Any surrender shall be affected in writing on a form provided by the Society for the purpose. Each such form shall be delivered to the Society at its Registered Office and shall have effect upon the date that the same is received by the Society or upon such later date as may be therein specified.
- 6.3 Members may wish and are allowed on becoming non-resident in the United Kingdom to commute all future premiums due under the policies; in which case the remaining renewal premiums, or instalments of renewal premiums, for the balance of the period

for which premiums are due, may be paid to the Society. Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases. This amount should be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

7. **GENERAL**

- 7.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 7.2 In the case of the death of a member or upon the maturity or surrender of a policy, the appropriate bid price shall be the unit price ruling at the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.
- 7.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE VI – TABLE OF CONTRIBUTIONS AND BENEFITS
RELATING TO FAMILY LIFE ASSURANCE BONDS ISSUED AFTER
31st December 1985

(An initial 10-year unit linked endowment assurance policy)

1. BENEFITS

The Society shall issue to each of its adult members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. This sum, which is the same as that imposed by law, disregards any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured and may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under contract already in issue at the time of such change of law.

On the issue of a policy the Society may charge against the initial sum assured under that policy such amount as the Committee shall determine on the advice of the Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years the initial sum assured under the policy may for each year by which that member's age exceeds 55 years be reduced by 2% of the total premiums which would be payable if the policy were to run for 10 years.

Alternatively, the Committee may charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

2. PREMIUMS

2.1 Premiums under the policy are payable either annually or monthly. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

2.2 The standard rate for premiums shall be as follows:

- (a) in respect of a policy which will provide a minimum sum assured of £750, the standard rate for premiums shall be £100 annually, the equivalent monthly premium being £9.00;
- (b) in respect of a policy which will provide a minimum sum assured of £1,240, the standard rate for premiums shall be £165 annually, the equivalent monthly premium being £15.00.
- (c) in respect of a policy which will provide a minimum sum assured of £1,500 the standard rate for premiums shall be £200 annually, the equivalent monthly premium being £18.00.
- (d) in respect of a policy which will provide a minimum sum assured of £2,050, the standard rate for premiums shall be £270 annually, the equivalent monthly premium being £25.00.

Where, as a result of legislative change, the minimum sum assured is to be other than as specified in paragraphs (a), (b), (c) and (d) above, the standard rate for premiums may be adjusted pro rata.

- 2.3 (a) Where, as a result of legislative change, a member holding a policy or policies as described in Clause 2.2 above is permitted to increase the total rate of premiums payable under such policy or all such policies within the terms of such policy or policies, the member may so increase the applicable rate of premiums provided that, where the member has more than one such policy, such increase shall be effected in respect of the policy most recently issued.
- (b) In the event that a member increases the rate of premiums payable pursuant to paragraph (a) above then the minimum sum assured shall be apportioned to such policies in proportion to the premiums paid thereunder.
- 2.4 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or any entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to amendment of this Table and to the approval of the Actuary.
- 2.5 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the tenth anniversary of the commencement date, subject to any extension made under Clause 8 below.

3. ALLOCATION OF PREMIUMS

- 3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Proportion of first year's premium deducted	Proportion of second and each subsequent year's premiums deducted
65%	NIL

All such deductions form a prior claim on premiums payable and shall be calculated on premiums net of any applicable monthly handling charge referred to in paragraph 2 below. Any amount deducted in accordance with this paragraph will be transferred to the Management Fund together with the monthly handling charge referred to in Clause 3.2, the amounts referred to in Clauses 4.7 and 4.8 and the membership fee.

- 3.2 Where premiums are payable or paid monthly, there shall be deducted from each premium payment a handling charge of 50p for each premium paid.
- 3.3 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.
- 3.4 The balance of all premiums shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of members' units in accordance with Clause 4. below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason or purchase of units out of the balance of premiums available referred to in Clause 3.4 above or at the discretion of the Committee by bonus addition to the number of units already allocated to a policy

save that such bonus addition shall not by reason only of being made reduce the offer price of units.

- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Actuary may from time to time determine. The offer price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price"), increased by five per cent and subject to rounding of not more than one per cent.
- 4.4 There shall be allocated to the policy issued to each member units in the investment sub fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid in respect of each policy to the investment sub-fund by the offer price ruling at the date that the relevant premium is paid.
- 4.5 The bid price of units will be determined by the Committee on each allocation date and will not be less than 95% of the offer price of such units.
- 4.6 Any fractional amount of units created under the provisions of this Clause 4 shall be rounded to the nearest one-hundredth part of a unit.
- 4.7 On one allocation date in every month prior to the calculation of the bid and offer prices of units on such date there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to one sixteenth ($1/16^{\text{th}}$) of one per cent (1%) of the value of the net assets of the investment sub-fund at such date or such other percentage as the Committee acting on the advice of the Actuary shall determine.
- 4.8 On the allocation of units in the investment sub-fund, there shall be transferred to the Management Fund the amount by which the offer price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.9 The cost of providing life cover will be met by charging, on a monthly basis, an appropriate amount to each policy based on the advice of the Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling at their bid price units or fractions of units credited to the policy concerned.

5. **SUM PAYABLE ON MATURITY OR EARLIER DEATH**

- 5.1 The policy shall mature on the tenth anniversary of the policy commencement date unless an election is made to extend the policy under Clause 8. A policy extended under Clause 8 shall mature on the day following the tenth anniversary of the day on which such extension was made unless an election to further extend the policy under Clause 8 is then made.
- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
 - (a) an amount, at the discretion of the Committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate bid price, or
 - (b) in the case of earlier death only, if greater, the initial sum assured save that in the case of a paid-up policy, the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate bid price.

6. CESSATION OF PREMIUMS

6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:

- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
- (b) a member gives notice of his intention to cease payment of premiums; or
- (c) the full amount of premiums due under the policy has been received; or
- (d) the member dies.

6.2 Where premiums cease in the circumstances described in Clause 6.1 (a), (b) or (c) above the benefits shall be as follows:

- (a) after payment of at least six years' premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to his policy.
- (b) in lieu of the benefit in (a) above, the member may elect to surrender his policy in whole after one year's premiums have been paid and receive a cash amount based on the appropriate bid value of the units surrendered provided that, if the policy is surrendered within seven years and six months of its commencement, the cash amount will not exceed the amount of premiums paid. If surrender takes place when less than six years' premiums have been paid a discontinuance charge will be deducted from the cash amount due as follows:

Number of complete years' Premiums Paid	Percentage of one year's Premiums
At least 1, but less than 2	50%
At least 2, but less than 3	40%
At least 3, but less than 4	30%
At least 4, but less than 5	20%
At least 5 but less than 6	10%
6 onwards	NIL

- (c) every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Registered Office of the Society and shall take effect on the day received by the Society or upon such later date as may be therein specified.

6.3 Members may wish and are allowed on ceasing to reside in the United Kingdom to commute all future premiums due under a policy in which case the remaining renewal premiums, or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

7. TEN YEAR BONUS

On the tenth anniversary of the commencement date of each fully paid policy and prior to any other action taken on that day in respect of such policy the Committee acting on the advice of the Actuary may declare a bonus in addition to the units purchased referred to in Clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such anniversary.

8. EXTENSION FACILITY

8.1 On the tenth anniversary of the policy commencement date each policy shall mature and premiums shall cease to be payable thereunder unless on such anniversary notice of extension of the policy for a further period of ten years shall have been given in writing to the Society at its Registered Office on a form provided by the Society for that purpose.

Any policy so extended may thereafter be extended for further successive periods each of ten years by notice of extension similarly given to the Society on the tenth anniversary of the commencement of the last extension so made.

8.2 Every policy extended under paragraph 8.1 above:

- (a) shall continue as an endowment policy;
- (b) the premiums payable under the policy during such extension shall not vary in amount from those payable prior to the extension;
- (c) the amount of the further premiums payable under the extension which will be invested and deemed applied in the purchase of members' units in accordance with Clause 4 shall after deduction of the monthly handling charge referred to in Clause 3.4 (if applicable) and the amounts referred to in Clauses 4.7 and 4.8 be one-hundred-and-five per cent of the annual premium in each year of the extension or one hundred and five per cent of the monthly premium; and
- (d) the sum assured shall not vary in amount from that applying prior to the extension; and
- (e) Otherwise than provided in this paragraph 2 the extended policy shall mutatis mutandis in respect of the extension period generally be subject to the provisions of this Table.

9. GENERAL

9.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.

9.2 In the case of the death of a member or maturity or surrender of a policy, the appropriate bid price shall be the unit price ruling at the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.

9.3 The policy may as a term of the policy and not at the option of the member provide for a payment at any time not less than five years from the beginning of the term of the policy, if it is one of a series of payments falling due at intervals of not less than five years, and the amount of any payment, other than the final payment, does not exceed four-fifths of the premiums paid in the interval before its payment.

9.4 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE VII – TABLE OF CONTRIBUTIONS AND BENEFITS

RELATING TO TOTAL INVESTMENT BONDS

(A bond comprising initial 10-year unit linked endowment assurance policies)

1. BENEFITS

The Society shall issue to each of its adult members who shall apply therefor:

- (a) one policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death (“the Growth Policy”); and
- (b) ten separate policies of endowment assurance each to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death (together “Concentrated Growth Policies” and individually “Concentrated Growth Policy”).

Such combination of policies being known as a Total Investment Bond (“Bond”). The initial sum assured in respect of the Growth Policy shall be £750 and the minimum initial sum assured in respect of each Concentrated Growth Policy shall be £150 (in aggregate £1,500). These lower limits disregard any bonus or addition which may be declared or accrue by way of bonus or unit linking above such initial sums assured and may themselves be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary any sum assured under any Bond already in issue at the time of such change of law.

On the issue of a Bond, the Society may charge against the initial sum assured under Bond Policies (which term means either or both the Growth Policy and the Concentrated Growth Policies as appropriate) such amount or amounts as the Committee may determine on the advice of the Actuary in respect of health or other exceptional mortality risks. In respect of a member whose age at the beginning of the term of the Bond exceeds fifty five years, the initial sum assured under Bond Policies may for each year by which that member’s age exceeds fifty five years be reduced by 2% of the total premiums which would be payable if such policies were to run for ten years. Alternatively, the Committee may charge additional premium(s) in respect of health or other exceptional mortality risks and any such additional premium(s) shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit but so that at all times every premium and all other monies attributable to the Concentrated Growth Policies shall be kept to account separately from any money attributable to tax-exempt business of the Society.

At the discretion of the Committee as to issue and terms, a Bond may also be constituted by the issue, to a qualifying member to whom has already been issued a policy on terms similar to a Growth Policy, of Concentrated Growth Policies within this Table and on such further policies being issued the policy previously in issue shall (as varied by direction of the Committee in exercise of its discretion but otherwise without prejudice to the terms of issue of such policy) for the purposes of this Table be treated as if it were the Growth Policy included in a Bond.

2. PREMIUMS

- 2.1 Premiums in respect of Bond Policies are payable either annually or monthly. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

- 2.2 The standard rate for premiums shall be:
- (a) £100 annually in respect of a Growth Policy which will provide an initial sum assured of £750, the equivalent monthly premium being £9.00; and
 - (b) £20 annually in respect of each of the ten constituent policies of the Concentrated Growth Policies (together £200) each of which will provide an initial sum assured of £150 (together £1,500), the equivalent monthly premium on each policy being £1.80 (together £18.00);

and where initial sums assured vary from those quoted above standard rate premiums will be adjusted pro rata.

- 2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or any entitlement of existing members whose Bond Policies were effected within the scope of this Table and each such revision shall be subject to amendment of this Table and to the approval of the Actuary.

- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for in each case a period beginning on the commencement date of such policy and ending on the tenth anniversary of the commencement date, subject to any extension made under Clause 8 below.

3. ALLOCATION OF PREMIUMS

- 3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Proportion of first year's premium deducted	Proportion of second and each subsequent year's premiums deducted
50%	NIL

All such deductions form a prior claim on premiums payable and shall be calculated on premiums net of any applicable monthly handling charge referred to in paragraph 2 below. Any amount deducted in accordance with this paragraph will be transferred.

- (a) in the case of Growth Policies to the Management Fund relating to tax exempt business; and
- (b) in the case of Concentrated Growth Policies to the Management Fund relating to taxable business;

together in each case with the appropriate monthly handling charge referred to in Clause 3.2, the amounts referred to in Clauses 4.7 and 4.8 and the membership fee.

- 3.2 Where premiums are payable or paid monthly there shall be deducted from each premium payment a handling charge of £0.50 in respect of the Growth Policy and a maximum of £1 in respect of each Concentrated Growth Policy or such lesser sum as the Committee acting on the advice of the Actuary shall from time to time determine.
- 3.3 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the relevant Management Fund in respect of any policy issued on the terms of this Table.

- 3.4 The balance of all premiums:
- (a) relating to the Growth Policies shall be paid into a tax-exempt investment sub-fund of the Life Assurance Fund (hereinafter referred to as “the Family Growth Fund” which term means also such tax-exempt investment sub-fund as constituted, reconstituted or divided from time to time; and
 - (b) relating to the Concentrated Growth Policies shall be paid into a taxable investment sub-fund of the Life Assurance Fund (hereinafter referred to as “the Family Concentrated Growth Fund” which term means also such taxable investment sub-fund as constituted, reconstituted or divided from time to time)
- and in each case shall be applied in the purchase of members’ units in accordance with Clause 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 The Family Growth Fund and the Family Concentrated Growth Fund are each kept and separately identifiable accounts maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums of Bond Policies available referred to in Clause 3.4 above or at the discretion of the Committee by bonus addition to the number of units already allocated to a Bond Policy save that such bonus addition shall not by reason only of being made reduce the offer price of units.
- 4.3 At least once in each calendar month (“the allocation date”) the Committee will arrange for each of the Family Growth Fund and the Family Concentrated Growth Fund to be valued respectively on such basis as the Committee subject to the approval of the Actuary may from time to time determine. The offer price of the units in each case shall be equal to the total values of the constituent sub-funds respectively the Family Growth Fund and the Family Concentrated Growth Fund at that date divided respectively by the total number of units in issue in each such Fund at that date (in each case “the asset price”), in each case increased by five per cent and subject to rounding of not more than one per cent.
- 4.4 There shall be allocated to each member:
- (a) in respect of each Growth Policy issued to him units in the Family Growth Fund; and
 - (b) in respect of each Concentrated Growth Policy issued to him units in the Family Concentrated Growth Fund.
- The number of units to be so allocated will be calculated by dividing that part of a member’s premium paid in respect of each Bond Policy to each such Fund by the respective offer price ruling at the date that the relevant premium is paid.
- 4.5 The bid price of units will be determined by the Committee on each allocation date and will not be less than ninety-five per cent of the offer price of such units.
- 4.6 Any fractional amount of units created under the provisions of this Clause 4 shall be rounded to the nearest one-hundredth part of a unit.

- 4.7 In each case on one allocation date in every month prior to the calculation of the bid and offer prices of units on such date, there shall be transferred:
- (a) from the Family Growth Fund to the Management Fund relating to non taxable business; and
 - (b) from the Family Concentrated Growth Fund to the Management Fund relating to taxable business;

each an amount equal to one-sixteenth of one per cent of the value of the net assets of Fund respectively at such date, or such other percentage in respect of each Fund as the Committee acting on the advice of the Actuary shall determine.

- 4.8 On the allocation of units:
- (a) in the Family Growth Fund there shall be transferred to the Management Fund relating to tax exempt business; and
 - (b) in the Family Concentrated Growth Fund there shall be transferred to the Management Fund relating to taxable business;

the amount in each case by which the offer price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.

- 4.9 The cost of providing life cover will be met by charging, on a monthly basis, an appropriate amount to each Bond Policy based on the advice of the Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling at their bid price units or fractions of units credited to the policy concerned.

5. SUMS PAYABLE ON MATURITY OR EARLIER DEATH

- 5.1 Each Bond Policy shall mature on the tenth anniversary of the policy commencement date unless an election is made to extend the policy under Clause 8. A Bond Policy extended under Clause 8 shall mature on the day following the tenth anniversary of the day on which such extension was made unless an election to further extend the policy under Clause 8 is then made.
- 5.2 The sum payable on maturity of each Bond Policy or earlier death of the member shall be:
- (a) an amount, at the discretion of the Committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate bid price, or
 - (b) in the case of earlier death only, if greater, the initial sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate bid price.

6. CESSATION OF PREMIUMS

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums, except the first. Premiums shall be deemed to have ceased if:
- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non-payment; or
 - (b) a member gives notice of his intention to cease payment of premiums, or

- (c) the full amount of premiums due under the policy has been received, or
- (d) the member dies.

6.2 Where premiums cease in the circumstances described in Clause 6(1)(a), (b) or (c) above the benefits shall be as follows:

- (a) after payment of at least two years' premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to his policy;
- (b) in lieu of the benefit in (a) above, the member may elect to surrender his policy in whole after one year's premiums have been paid and receive a cash amount based on the appropriate bid value of the units surrendered provided that in the case of surrender of a Growth Policy within seven years and six months of its commencement the cash amount will not exceed the amount of premiums paid. If the surrender takes place when less than six years premiums have been paid a discontinuance charge will be deducted from the cash amount due as follows:

Number of complete years' Premiums Paid	Percentage of one year's Premiums
At least 1, but less than 2	50%
At least 2, but less than 3	40%
At least 3, but less than 4	30%
At least 4, but less than 5	20%
At least 5 but less than 6	10%
6 onwards	NIL

- (c) every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Registered Office from time to time of the Society and shall take effect on the day received by the Society or on such later date as may be therein specified.

6.3 Members may wish and are allowed on ceasing to reside in the United Kingdom to commute all future premiums due under a Growth Policy in which case the remaining renewal premiums or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

7. TEN YEAR BONUS

On the tenth anniversary of the commencement date of each fully paid bond Policy and prior to any other action taken on that day in respect of such policy the Committee:

- (a) shall pay into the Family Growth Fund or the Family Concentrated Growth Fund (as the case may be) to the benefit of such policy a sum equal to the sum deducted from the first year's premium on such policy under Clause 3.1 above; and
- (b) acting on the advice of the Actuary may declare a further bonus in addition to the units purchased referred to in Clause 4.2 above:

and such sum and further bonus (if any) shall be used to purchase additional units on such anniversary.

8. EXTENSION FACILITY

- 8.1 On the tenth anniversary of the policy commencement date each Growth Policy shall mature and premiums shall cease to be payable thereunder unless on such anniversary notice of extension of the policy for a further period of ten years shall have been given in writing to the Society at its Registered Office on a form provided by the Society for that purpose. Any policy so extended may thereafter be extended for further successive periods each of ten years by notice of extension similarly given to the Society on the tenth anniversary of the commencement of the last extension so made.
- 8.2 Every Growth Policy extended under paragraph 8.1 above:
- (a) shall continue as an endowment policy;
 - (b) the premiums payable under the policy during such extension shall not vary in amount from those payable prior to the extension;
 - (c) the amount of the further premiums payable under the extension which will be invested in the Family Growth Fund and deemed applied in the purchase of members' units in accordance with Clause 4 shall after deduction of the monthly handling charge referred to in Clause 3.4 (if applicable) and the amounts referred to in Clauses 4.7 and 4.8 be one hundred and five per cent of the annual premium in each year of the extension or one hundred and five per cent of the monthly premium; and
 - (d) the sum assured shall not vary in amount from that applying prior to the extension; and
 - (e) Clause 7(a) shall not apply to the tenth anniversary of the commencement of any extension period but otherwise than provided in this paragraph 2 the extended policy shall *mutatis mutandis* in respect of the extension period generally be subject to the provisions of this Table relating to Growth Policies.
- 8.3 Premiums shall cease to be payable under each Concentrated Growth Policy on the tenth anniversary of the policy commencement date unless on such anniversary notice of extension of the policy containing a specification within paragraph 4 or 5 below shall have been given in writing to the Society at its Registered Office on a form provided by the Society for that purpose. Each notice of extension so given shall specify whether the policy shall continue as a Converted Policy or a Continued Policy.
- 8.4 If the notice of extension referred to in paragraph 3 above specifies extension of the policy as a Converted Policy then:
- (a) the Concentrated Growth Policy shall be converted to a policy of whole of life assurance;
 - (b) the annual premium payable under the policy shall be reduced to a nominal premium of £1;
 - (c) the benefits payable on survival of the member to maturity of the policy shall no longer apply and the figure shown as the initial benefit payable on death of the member shall be amended to an amount equal to 75 per cent of the premiums payable from the date of such extension to the seventy-fifth birthday inclusive the member insured;
 - (d) otherwise than provided in this paragraph 4 the Converted Policy shall *mutatis mutandis* generally be subject to the provisions of this Table relating to Concentrated Growth Policies save that a Converted Policy may be surrendered in part.

- 8.5 If the notice of extension referred to in paragraph 3 above specifies extension of the policy as a Continued Policy then:
- (a) any policy so extended may thereafter be extended at further successive periods each of ten years by notice of extension similarly given to the Society on the tenth anniversary of the commencement of the last extension so made unless such further notice of extension specifies that the policy shall become a Converted Policy in which case the provisions of paragraph 4 above mutatis mutandis shall apply;
 - (b) the policy shall continue as an endowment policy;
 - (c) the premiums payable under the policy during such extension shall not vary in amount from those payable prior to the extension except that the member may elect in the notice of extension to reduce the premiums to an amount not less than that determined by the Society from time to time and provided that the reduced premiums shall not be less than one half of the highest premium resulting from any previous exercise within 10 years of such premium reduction of the extension of the policy as a Continued Policy;
 - (d) the amount of the further premiums payable under the extension which will be invested in the Family Concentrated Growth Fund and deemed applied in the purchase of members' units in accordance with Clause 4 shall after deduction of the monthly handling charge referred to in Clause 3.2 (if applicable) and the amounts referred to in Clauses 4.7 and 4.8 be one hundred and five per cent of the annual premium in each year of the extension or one hundred and five per cent of the monthly premium;
 - (e) the figure shown as the initial benefit payable on death of member shall continue unchanged.
 - (f) Clause 7(a) shall not apply to the tenth anniversary of the commencement of any period of extension but otherwise than provided in this paragraph 5 the Continued Policy shall mutatis mutandis in respect of the extension period generally be subject to the provisions of this Table relating to Concentrated Growth Policies.

9. GENERAL

- 9.1 If the date of birth of the member assured under any Bond Policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 9.2 In the case of death of a member or maturity or surrender of a Bond Policy, the appropriate bid price shall be the unit price ruling on the date of receipt by the Society of the last document required to support the claim or election to surrender.
- 9.3 A Growth Policy may as a term of the policy and not at the option of the member provide for a payment at any time not less than five years from the beginning of the term of the policy, if it is one of a series of payments falling due at intervals of not less than five years, and the amount of any payment, other than the final payment, does not exceed four-fifths of the premiums paid in the interval before its payment.

- 9.4 Notwithstanding the beneficial interest of any beneficiary in any Bond Policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE VIII
RELATING TO FAMILY LIFE ASSURANCE BONDS
ISSUED AFTER 24TH FEBRUARY, 1988

(A unit linked endowment assurance policy with premiums limited
to a minimum of ten years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. This sum disregards any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured and may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy the Society may charge against the initial sum assured under that policy such amount as the Committee shall determine on the advice of the Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty five years, the initial sum assured under the policy may for each year by which that member's age exceeds fifty five years be reduced by 2% of the total premiums payable. Alternatively, the Committee may charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit. The maturity date shall be the date upon which the member attains the age of 85.

2. PREMIUMS

2.1 Premiums under the policy are payable either annually or monthly. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

2.2 The standard rates for premiums shall be as follows:

- (a) in respect of a policy which will provide a minimum sum assured of £375, the standard rate for premiums shall be £50 annually, the equivalent monthly premium being £4.50;
- (b) in respect of a policy which will provide a minimum sum assured of £750, the standard rate for premiums shall be £100 annually, the equivalent monthly premium being £9.00;
- (c) in respect of a policy which will provide a minimum sum assured of £810, the standard rate for premiums shall be £105 annually, the equivalent monthly premium being £10.00;
- (d) in respect of a policy which will provide a minimum sum assured of £1,125, the standard rate for premiums shall be £150 annually, the equivalent monthly premium being £13.50;
- (e) in respect of a policy which will provide a minimum sum assured of £1,240, the standard rate for premiums shall be £165 annually, the equivalent monthly premium being £15.00;

- (f) in respect of a policy which will provide a minimum sum assured of £1,500 the standard rate for premiums shall be £200 annually, the equivalent monthly premium being £18.00;
- (g) in respect of a policy which will provide a minimum sum assured of £2,050, the standard rate for premiums shall be £270 annually, the equivalent monthly premium being £25.00;

Where, as a result of legislative change, the minimum sum assured is to be other than as specified in paragraphs (a), (b), (c), (d), (e), (f) and (g) above, the standard rate for premiums may be adjusted pro-rata.

- 2.3 (a) Where as a result of legislative change, a member holding a policy or policies described in Clause 2.2 above is permitted to increase the total rate of premiums payable under such policy or policies, the member may so increase the applicable rate of premiums provided that, where the member has more than one policy, such increase shall be effected in respect of the policy most recently issued.
- (b) In the event that a member increases the rate of premiums payable pursuant to paragraph (a) above then the minimum sum assured shall be apportioned to such policies in proportion to premiums paid thereunder.

2.4 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to amendment of this Table and to the approval of the Actuary.

2.5 Premium are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified age, being an age he will attain at a time not less than ten years after the commencement date.

3. ALLOCATION OF PREMIUMS

3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Proportion of first year's premium deducted	Proportion of second and each subsequent years' premiums deducted
65%	NIL

All such deductions form a prior claim on premiums payable and shall be calculated on premiums net of any applicable monthly handling charge referred to in paragraph 2 below. Any amount deducted in accordance with this paragraph will be transferred to the Management Fund together with the monthly handling charge referred to in Clause 3.2, the amounts referred to in Clauses 4.7 and 4.8 and the membership fee.

3.2 Where premiums are payable or paid monthly, there shall be deducted from each premium payment a handling charge of 50p for each premium paid.

3.3 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

- 3.4 The balance of all premiums shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of members' units in accordance with Clause 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available referred to in Clause 3.4 above or, at the discretion of the Committee, by bonus addition to the number of units already allocated to a policy save that such bonus addition shall not by reason only of being made reduce the offer price of units.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Actuary may from time to time determine. The offer price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price"), increased by five per cent and subject to rounding of not more than one per cent.
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid in respect of each policy to the investment sub-fund by the offer price ruling at the date that the relevant premium is paid.
- 4.5 The bid price of units will be determined by the Committee on each allocation date and not be less than ninety five per cent of the offer price of such units.
- 4.6 Any fractional amount of units created under the provisions of this Clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.7 On one allocation date in every month prior to the calculation of the bid and offer prices of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to one sixteenth of one per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Actuary shall determine.
- 4.8 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the offer price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.9 The cost of providing life cover will be met by charging, on either an annual or monthly basis an appropriate amount to each policy based on the advice of the Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling at their bid price units or fractions of units credited to the policy concerned.

5. SUM PAYABLE ON MATURITY OR EARLIER DEATH

- 5.1 The policy shall mature on the eighty fifth anniversary of the date of birth of the member.

- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- (a) an amount, at the discretion of the Committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate bid price; or
 - (b) in the case of earlier death only, if greater, the initial sum assured, save that in the case of a paid-up policy, the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate bid price.

6. CESSATION OF PREMIUMS

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non-payment; or
 - (b) the full amount of premiums due under the policy has been received; or
 - (c) the member dies.
- 6.2 Where premiums cease in the circumstances described in Clause 6.1(a) after payment of at least six years' premiums but before payment of at least ten years' premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to his policy.
- 6.3 Where premiums cease in the circumstances described in Clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and the Committee acting on the advice of the Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in Clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 or 6.3 the member may, subject to the consent of the Committee, elect to surrender his policy in whole or in part after one year's premiums have been paid and receive a cash amount based on the appropriate bid value of the units surrendered provided that if the policy is surrendered within ten years of its commencement the whole of the policy must be surrendered and the cash amount will not exceed the amount of premiums paid. If surrender takes place when less than six years' premiums have been paid a discontinuance charge will be deducted from the cash amount due as follows:

Number of complete years' Premiums Paid	Percentage of one year's Premiums
At least 1, but less than 2	50%
At least 2, but less than 3	40%
At least 3, but less than 4	30%
At least 4, but less than 5	20%
At least 5 but less than 6	10%
6 onwards	NIL

No surrender in part which has the result of reducing the appropriate bid value of the units remaining on the policy to less than the initial sum assured will be permitted.

- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Registered Office of the Society and shall take effect on the day received by the Society or upon such later date as may be therein specified.
- 6.6 Members ceasing to reside in the United Kingdom within the first ten years of the policy may commute all future premiums in which case the remaining renewal premiums or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

This communication facility is available to all members once the initial ten-year term has expired irrespective of their residence for purposes of United Kingdom taxation.

Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases.

7. GENERAL

- 7.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 7.2 In the case of the death of a member or maturity or surrender of a policy, the appropriate bid price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.
- 7.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE IX – TABLE OF CONTRIBUTIONS AND BENEFITS
RELATING TO ‘FAMILY SINGLE PREMIUM FUNDING BONDS’

(A non linked single premium temporary annuity policy with
benefits payable for a minimum of nine years)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of temporary annuity to assure the payment of an annuity amount on the survival of the member to each of the policy anniversaries or a sum assured on his earlier death. Each eligible member may have an annual annuity benefit of such amount that after deduction from it by the Society of the relevant rate of income tax based on the income portion of the annuity payment at outset, and the relevant rate of income tax at outset, the net amount available to the member shall be between £55.00 and the statutory annual maximum investment limit for a tax exempt friendly society policy depending upon the annual annuity amount required but the Society may, if the Committee of Management considers it appropriate, pay such annual annuity benefit gross, without the deduction of income tax, insofar as the Inland Revenue may allow and the single premium payable shall be varied accordingly. Where the single premium has been calculated on the basis of a gross annual annuity, the Society may, if the Committee of Management so decides following a change in legislation or Inland Revenue practice, demand a further premium payment to augment the net amount of the annual annuity benefit to the required level. If the relevant rate of income tax rises above 25%, the Committee may revise from time to time the net amount available to the member by such amount as the Committee determines, subject to the advice of the Actuary, and the Committee's discretion to vary the net amount shall apply to policies in issue and policies at outset. Each eligible member may also have a sum assured equal to the single premium paid by the member at outset, less the total of the gross annuity payments made to the date of death. These sums may be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the annual annuity benefit or sum assured under any contract already in issue at the time of such change in law.

Where a policy is taken out hereunder by a parent for his or her child, the Society may, if appropriate under applicable law, deduct income tax on the basis that the annuity payable will be treated by the Inland Revenue as the parent's income.

On the issue of a policy, the Society may charge against the initial sum assured under that policy such amount as the Committee shall determine on the advice of the Actuary in respect of health or other exceptional mortality risk. Alternatively, the Committee may charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to the Annuity Fund, or such other Fund as the Committee shall from time to time consider fit.

2. PREMIUMS

- 2.1 A single premium is payable to the Society in respect of each policy issued on the terms of this Table.
- 2.2 The premium rate applicable shall be as set by the Committee having regard to the age and other relevant factors effecting the mortality of the member and to the level of investment earnings obtainable on the single premium receivable at the commencement of the policy, subject to the advice of the Actuary.

2.3 Premium rates, annuity payments and sums assured are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to any necessary amendment of this Table and to the approval of the Actuary.

3. **SUM PAYABLE ON DEATH**

The sum payable on death of the member shall be an amount equal to the single premium paid by the member at outset reduced by the total of the gross annuity payments paid to the member prior to the deduction of tax by the Society on behalf of the Inland Revenue. The benefit will become payable one month after the receipt of the last document required to support the claim.

4. **SURRENDER OF POLICY**

4.1 Not less than twelve months from outset the member may, subject to the consent of the Committee, elect to surrender his policy in whole and receive such cash amount as the Committee shall determine based on the advice of the Actuary. The cash amount paid upon surrender will not exceed the single premium paid.

4.2 Every election to surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Registered Office of the Society and shall take effect on the day received by the Society or upon such later date as may be specified therein. The benefit will become payable one month after the receipt of the last document required to support the claim or the date on which the surrender takes effect if later.

5. **EXPIRY**

The contract shall expire following the final annual payment of the annuity amount if the policy has not already expired due to its surrender by, or the death of, the member.

6. **EXPENSES OF MANAGEMENT**

There shall be deducted from each single premium paid an initial administration fee not in excess of 15% of the amount of such single premium. The amount deducted in accordance with this paragraph will be transferred to the Management Fund relating to taxable business.

7. **GENERAL**

7.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the sum assured and any other amount payable on death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.

7.2 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

7.3 If the member assured under the policy is under 18 years of age, he may, if over 16 years of age, by himself, and if under 16 years of age by his parent or guardian, execute all instruments and give all receipts necessary to be executed or given in connection with a policy hereunder.

**As amended by the Committee of Management
on 19th February 1998**

.....
K. F. Meeres

**TABLE X – TABLE OF CONTRIBUTIONS AND BENEFITS RELATING TO
APPROPRIATE PERSONAL PENSION SCHEMES**

(A unit linked annuity funding bond)

1. BENEFITS

The Society shall issue to each of its members who is eligible in accordance with paragraph 6 of Rule 44 and who shall apply therefor a policy to secure Protected rights (in lieu of benefits provided by the State Earnings Related Pension Scheme), subject to the provisions of Chapter IV of Part XIV of the Income and Corporation Taxes Act, 1988 and of the Social Security Act 1986. All policies written under this Table will be written to vest at State Pension Age, but the member may elect for a later vesting date as determined below.

The member may at any time before vesting request in writing that the Society makes a transfer payment in respect of accrued Protected Rights under the policy to any other approved scheme in compliance with the relevant legislation and appropriate for the purpose. The amount available for transfer will not be less than 98% of the bid price of the units allocated to the policy.

At State Pension Age, or later, but in any case not later than the member's 75th birthday, the member may elect to give effect to Protected Rights with the society by applying the value of the 'bid price' of the units allocated to the policy either to purchase pension benefits under one of the Society's appropriate Tables for Protected Pensions, or to purchase on an open market basis an immediate annuity policy from any other supplier deemed appropriate by the Occupational Pensions Board.

2. CONTRIBUTIONS

Contributions to a policy may be constituted of 'minimum contributions' (including basic rate tax relief) and incentive payments under the Social Security Act 1986, or of a combination of such contributions and voluntary contributions subject, in the latter case, to the eligibility of the member under the Income and Corporation Taxes Act, 1988 and the Social Security Act, 1986 to pay voluntary contributions to the relevant amount. Transfer payments may also be made to a policy subject to the Scheme Rules.

Each contribution, or allowable transfer, to the policy shall be applied to the purchase at their offer price of units, in the Society's Appropriate Personal Pension Managed Fund ("the Fund"), subject to the deduction of such charges as are determined by this Table. Units are units of measurement only and in themselves confer no beneficial interest in the assets invested in the Fund on any person.

3. MANAGEMENT EXPENSES

Members shall pay an initial setting up charge of £35 per policy which will be deducted from the first contribution, as well as an annual charge of an amount to be determined by the Committee of Management on the advice of the Actuary which will be deducted for ongoing administration costs.

A management charge at a rate not exceeding one eighth of one per cent of the net value of the assets of the Fund, will be levied in respect of each calendar month and deducted from the Fund.

4. UNITS ALLOCATED TO POLICIES

The Fund is a separately identifiable Fund maintained by the Society for the purpose of calculating benefits defined by reference to units of the Fund. Units will have a bid and an offer price and will be allocated to a policy (subject to Clause 3 above) by reason of purchase of units in accordance with Clause 2 above.

The Fund shall be valued and the bid and offer prices shall be determined at least once in each calendar month. The bid price shall be determined as the total net value of the assets of the Fund divided by the total number of units in existence at the valuation, the result being rounded by an amount not exceeding 1% thereof. The offer price shall be determined as the total net value of the assets of the Fund divided by the total number of units in existence at the valuation, increased by 5% and subject to rounding of not more than 1%. The offer and bid prices so calculated shall be the unit prices ruling until the next valuation is made.

On the creation of units, an amount equal to the value at bid price of the units to be created shall be transferred into the Fund. On the cancellation of units, there shall be transferred out of the Fund an amount equal to the value, at bid price, of the units to be cancelled. The total number of units in existence at any time need not correspond to the number of units allocated to policies for the purpose of determining benefits payable and the Society shall hold units not allocated to policies as part of the Fund.

5. EARLY DEATH OF MEMBER

On the death of the member before a policy vests, an amount equal to the bid price of the units allocated to the policy will be paid to such beneficiary or beneficiaries and in such manner as the member have decided according to the Rules of the Appropriate Personal Pension Scheme and subject to the provisions and requirements of the relevant Tax and Social Security legislation and administrative directions made thereunder. The relevant 'bid price' will be that applying as at the next valuation date after the receipt by the Society of the last document required in confirmation of the member's death.

6. MODEL RULES

All schemes effected under this Table shall be governed by the Integrated Model Rules for Appropriate Personal Pension Schemes. All payments made to a policy issued under this Table shall be subject to the restrictions which apply to Protected Payments and which are set out in Rule 5.1 of the Integrated Model Rules.

The Integrated Model Rules for Appropriate Pension Schemes currently in force are those Rules which bear the reference IMR/APP/91.

**TABLE XI – TABLE OF CONTRIBUTIONS AND BENEFITS RELATING TO PERSONAL
PENSION SCHEMES (APPROPRIATE AND NON-APPROPRIATE)**

(A unit linked annuity funding bond)

1. BENEFITS

The Society shall issue to each of its members who is eligible in accordance with paragraph 6 of Rule 44 and who is able to make contributions of the type described in (i) – (iii) of clause 2 below and who shall apply therefor for a policy to secure lump sum and/or annuity benefits at the pension date.

The pension date is selected by the member at the outset and may be:

- (i) in respect of protected rights benefits any date between the member's state pension age and his 75th birthday.
- (ii) in respect of other benefits under the Scheme any date between the member's 50th and 75th birthdays.

The member may, by giving one month's written notice to the Society select a later pension date from that specified at the commencement of the policy.

At the pension date the value at the 'bid price' of units allocated in respect of protected payments shall be applied to purchase annuity benefits under one of the Society's appropriate tables for protected pensions. The value at the 'bid price' of units allocated in respect of other contributions shall be reduced by the amount of any lump sum benefit and the balance applied to purchase annuity benefits under one of the Society's appropriate tables for personal pension annuities.

At the request of the member, the Society, instead of applying the value at 'bid price' of units allocated to secure an annuity with the Society will permit such value to be applied on an open market basis to purchase an immediate annuity policy with an appropriate insurer.

2. CONTRIBUTIONS

Contributions to a policy subject to a minimum of £10 per month, £100 per annum or £500 for single contributions shall be constituted of at least one of the following:

- (i) contributions by members
- (ii) contributions by employers in respect of members
- (iii) transfer payments from a source permitted by the scheme rules

The amount of any contributions in (i) – (iii) above shall not be less than £10 per month or £100 per annum.

Regular contributions may subject to the member giving one month's written notice be increased or decreased. The amount of any such increase or decrease shall be subject to such minimum amount as the Society shall from time to time decide, currently £5 per month or £50 per annum.

In addition, where a member elects to contract out through the scheme contributions to a policy shall also be constituted of minimum contributions (including basic rate tax relief) and incentive payments under the Social Security Act 1986.

3. ALLOCATION OF CONTRIBUTIONS

Members shall pay an initial setting up charge of £60 which will be deducted from the first contributions as well as a monthly administration charge, currently £1.50. The amount of these charges shall be determined by the Committee of Management on the advice of the Actuary and may be varied at any time.

After deduction of the charges above and any charges in respect of waiver of contribution benefit and any premium in respect of additional life assurance benefit the balance of all contributions shall be applied to purchase at their offer price units, in one or more funds maintained by the Society in connection with its personal pension schemes, in accordance with Clause 4 below.

If contributions are discontinued, all charges shall continue to be deducted by cancelling units in the member's fund(s). If there are insufficient units to meet any such charges, the policy shall be cancelled.

4. UNITS ALLOCATED TO POLICIES

Each fund, together with any sub-fund thereof is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.

Each fund shall be valued and the bid and offer prices shall be determined at least once in each calendar month (the valuation date). The bid price shall be determined as the total net value of the assets of the fund divided by the total number of units in existence at the valuation date, the result being rounded by an amount not exceeding 1% thereof. The offer price shall be determined as the total net value of the assets of the Fund divided by the total number of units in existence at the valuation, increased by 5% and subject to rounding of not more than 1%. The offer and bid prices so calculated shall be the unit prices ruling until the next valuation is made.

The number of units in a fund allocated to the policy in respect of each contribution shall be obtained by dividing the balance of the contribution, as specified in clause 3, applied immediately following the payment of the contribution.

A management charge, at a rate of one eighth of one per cent of the value of the net assets of a fund, or such other percentage as the committee acting on the advice of the Actuary shall determine, will be levied in respect of each calendar month and deducted from the fund.

On the creation of units, an amount equal to the value at offer price of the units to be created shall be transferred into the relevant fund. On the cancellation of units, there shall be transferred out of the fund an amount equal to the value, at bid price, of the units to be cancelled. The total number of units in existence at any time need not correspond to the number of units allocated to policies for the purpose of determining benefits payable and the Society shall hold units not allocated to policies.

5. WAIVER OF CONTRIBUTION BENEFIT

Subject to satisfactory evidence of assurability being provided a member may elect that waiver of contribution benefit be provided under the policy.

Where waiver of contribution benefit is provided under the policy then for the duration of any "Period of Waiver" the member shall be entitled to be credited as set out below for all purposes of the policy with such regular contributions as would have been paid by him or by his employer. A Period of Waiver is a period, occurring prior to the member's 60th birthday or pension date if earlier, during which a member is unable to follow his normal, or any similar, occupation by reason of sickness, either mental or physical, accident or injury subject to an initial 26 week Waiting Period. At least 26 weeks written notice of incapacity must be given to the Society before a Period of Waiver commences.

Where regular contributions are payable monthly any such contributions falling due during the Period of Waiver shall be waived. Where regular contributions are payable less frequently than monthly (e.g., annually) only that part of those contributions that relate to the Period of Waiver shall be waived. The balance of such contributions shall be due from the member.

If within 26 weeks of the date on which a Period of Waiver ceases a further period of incapacity of at least one month commences as a result of the same cause the Society will regard the further period of incapacity as a continuance of the first period.

The member shall provide the Society with such information as it shall reasonably require in order that it may be satisfied regarding the nature and duration of the incapacity, both at the commencement of the incapacity and at reasonable intervals thereafter.

Waiver of Contributions Benefit shall not be available where the member changes his occupation unless prior written notice of such change is given and the Society has confirmed in writing the terms of continued Waiver of Contributions Benefit.

No contribution shall be waived in respect of the member's incapacity arising from:

- (i) active participation in military hostilities (whether or not war has been declared), riot or civil commotion;
- (ii) pregnancy, child birth or associated medical complications unless the incapacity continues for more than 12 weeks after the termination of pregnancy in which event incapacity shall be deemed to have commenced 12 weeks after the termination of the pregnancy.
- (iii) Acquired Immunodeficiency Syndrome (AIDS) or infection by any Human Immunodeficiency Virus (HIV) whether directly or indirectly.
- (iv) Self-inflicted injury or the taking of alcohol or drugs otherwise than under the direction of a qualified medical practitioner.

If the member spends any period or periods totalling more than 12 weeks in any period of twelve consecutive months outside the European Community waiver of contributions benefit shall cease to apply unless prior written notice is given and the Society confirms in writing that the waiver of contributions benefit shall continue to apply.

Notwithstanding the continued incapacity of the member if the member shall reside or travel outside the European Community for any period during a Period of Waiver the Society shall be entitled to cancel the waiver of contributions benefit at its discretion.

The charge in respect of waiver of contributions benefit shall be up to 3% of the regular contribution level as determined by the Committee of Management on the advice of the Actuary and may be varied at any time. The current charge is 3% of each regular contribution. The charge shall be deducted from each regular contribution as described in Clause 3.

If any regular contribution due is not paid and no waiver of contribution benefit is deemed to have been paid entitlement to waiver of contribution benefit shall be cancelled.

6. SUM PAYABLE ON EARLIER DEATH

On the death of the member before the pension date an amount equal to the value at the 'bid price' of units then allocated to the policy shall be payable.

7. TRANSFER OUT OF THE SCHEME

A member may elect at any time before the pension date, subject to one month's written notice, that the Society make a transfer payment in respect of benefits accrued. The value of the transfer payment will be not less than 98% of the value, at the bid price calculated on the valuation date immediately following such notice, of units allocated to the policy.

8. THE RULES OF THE SCHEME

All schemes effected under this Table shall be approved by the Inland Revenue under Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988 and if the scheme is appropriate it shall also satisfy the requirements of an appropriate scheme for the purposes of Part I of the Social Security Act 1986.

With regard to its Appropriate Personal Pension Schemes, the Society has adopted the Integrated Set of Model rules for Appropriate Personal Pension Schemes which bears the reference IMR/APP/91.

All policies issued under this Table are intended to secure only those benefits which are properly payable under the scheme and the provisions of the policy are therefore subject to the rules of the scheme in so far as these affect the contributions payable, the type and amount of benefits arising and any other matters affecting approval or the satisfaction of requirements under the paragraph above.

9. YEARLY STATEMENT

The Society shall give to each of its members, who has effected a policy under this Table, a yearly statement setting out what contributions have been made, and their current unit value.

TABLE XII – TABLE OF CONTRIBUTIONS AND BENEFITS

RELATING TO FREE STANDING ADDITIONAL VOLUNTARY CONTRIBUTION SCHEMES

(A unit linked annuity funding bond)

1. BENEFITS

The Society shall issue to each of its members who is eligible in accordance with paragraph 6 of Rule 44 and who shall apply therefor a policy to secure annuity benefits at the pension date.

The pension date is selected by the member at the outset and may subject to the rules of the scheme be any date between the member's 50th and 75th birthdays.

At the pension date the value at the 'bid price' of units allocated shall be applied to purchase annuity benefits under one of the Society's appropriate tables for personal pension annuities.

At the request of the member, the Society, instead of applying the value at 'bid price' of units allocated to secure an annuity with the Society will permit such value to be applied on an open market basis to purchase an immediate annuity policy with an appropriate insurer.

2. CONTRIBUTIONS

The amount of any contribution shall not be less than £10 per month or £100 per annum or £500 for single contributions.

Regular contributions may subject to the member giving one month's written notice be increased or decreased. The amount of any such increases or decrease shall be subject to such minimum described above.

3. ALLOCATION OF CONTRIBUTIONS

Members shall pay an initial setting up charge of £60 which will be deducted from the first contributions as well as a monthly administration charge, currently £1.50. The amount of these charges shall be determined by the Committee of Management on the advice of the Actuary and may be varied at any time.

After deduction of the charges above and any premium in respect of additional life assurance benefit the balance of all contributions shall be applied to purchase at their offer price units, in one or more funds maintained by the Society in connection with its personal pension schemes, in accordance with clause 4 below.

If contributions are discontinued, all charges shall continue to be deducted by cancelling units in the member's fund(s). If there are insufficient units to meet any such charges, the policy shall be cancelled.

4. UNITS ALLOCATED TO POLICIES

Each fund, together with any sub-fund thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.

Each fund shall be valued and the bid and offer prices shall be determined at least once in each calendar month (the valuation date). The bid price shall be determined as the total net value of the assets of the fund divided by the total number of units in existence at the valuation date, the result being rounded down by an amount not exceeding 1% thereof. The offer price shall be determined

as the total net value of the assets of the fund divided by the total number of units in existence at the valuation date, increased by 5% and subject to rounding of not more than 1%. The offer and bid prices so calculated shall be the unit prices ruling until the next valuation is made.

The number of units in a fund allocated to the policy in respect of each contribution shall be obtained by dividing the balance of the contribution, as specified in clause 3, applied to that fund by the offer price on the valuation date immediately following the payment of the contribution.

A management charge, at a rate of one eighth of one percent of the value of the net assets of a fund, or such other percentage as the Committee acting on the advice of the Actuary shall determine, will be levied in respect of each calendar month and deducted from the fund.

On the creation of units, an amount equal to the value at offer price of the units to be created shall be transferred into the relevant fund. On the cancellation of units, there shall be transferred out of the fund an amount equal to the value, at bid price, of the units to be cancelled. The total number of units in existence at any time need not correspond to the number of units allocated to policies for the purpose of determining benefits payable and the Society shall hold units not allocated to policies.

5. SUM PAYABLE ON EARLIER DEATH

On the death of the member, before the pension date an amount equal to the value at the 'bid price' of units then allocated to the policy shall be payable.

6. TRANSFER OUT OF THE SCHEME

A member may elect at any time before the pension date, subject to one month's written notice, that the Society make a transfer payment in accordance with the rules of the scheme in respect of benefits accrued. The value of the transfer payment will be not less than 98% of the value, at the bid price calculated on the valuation date immediately following such notice, of units allocated to the policy.

7. THE RULES OF THE SCHEME

All schemes effected under this Table shall be approved by the Inland Revenue under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988.

All policies issued under this table are intended to secure only those benefits which are properly payable under the scheme and the provisions of the policy are therefore subject to the rules of the scheme in so far as these affect the contributions payable, the type and amount of benefits arising and any other matters affecting approval or the satisfaction of requirements under the paragraph above.

8. YEARLY STATEMENT

The Society shall give to each of its members, who has effected a policy under this Table, a yearly statement setting out what contributions have been made, and their current unit value.

TABLE XIII – RELATING TO FAMILY LIFE ASSURANCE BONDS

ISSUED AFTER 1ST AUGUST, 1992

(A unit linked endowment assurance policy with premiums limited to a minimum of ten years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. Each eligible member will have a minimum sum assured of either £750, £1,240, £1,500 or £2,050. These sums disregard any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured and may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the initial sum assured under that policy such amount as the Committee shall determine on the advice of the Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty five years, the initial sum assured under the policy may, for each year by which that member's age exceeds fifty-five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains the age of 85.

2. PREMIUMS

2.1 Premiums under the policy are payable either annually or monthly. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

2.2 The standard rate for premiums shall be as follows:

- (a) in respect of a policy which will provide a minimum sum assured of £750, the standard rate for premiums shall be £100 annually, the equivalent monthly premium being £9.00;
- (b) in respect of a policy which will provide a minimum sum assured of £1,240, the standard rate for premiums shall be £165 annually, the equivalent monthly premium being £15.00;
- (c) in respect of a policy which will provide a minimum sum assured of £1,500, the standard rate for premiums shall be £200 annually, the equivalent monthly premium being £18.00;
- (d) in respect of a policy which will provide a minimum sum assured of £2,050, the standard rate for premiums shall be £270 annually, the equivalent monthly premium being £25.00;

Where as a result of legislative change the minimum sum assured is to be other than as specified in paragraphs (a), (b), (c), and (d) above, the standard rate for premiums may be adjusted pro rata.

- 2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Actuary.
- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified age, being an age he will attain at a time not less than ten years after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Initial minimum sum assured	Proportion of first two year's premium deducted	Proportion of third and each subsequent year's premiums deducted
£750	100%	Nil
£1,500	50%	Nil

All such deductions form a prior claim on premiums payable. Any amount deducted in accordance with this paragraph will be transferred to the Management Fund, together with amounts referred to in clauses 4.6 and 4.7 and the membership fee.

- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.
- 3.3 The balance of all premiums shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of members' units in accordance with Clause 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available referred to in clause 3.3 above or by reason of purchase of units out of the ten year bonus referred to in clause 5 below or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.

- 4.3 At least once in each calendar month (“the allocation date”) the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date (“the asset price”), subject to rounding of not more than one per cent.
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member’s premium paid, in respect of each policy to the investment sub-fund, by the price ruling at the date that the relevant premium is paid.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to thirteen eightieths (13/80ths) of one per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Actuary shall determine.
- 4.7 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.8 The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned.

5. TEN YEAR BONUS

- 5.1 The ten year bonus is:
- (a) £160 if premiums are paid annually;
 - (b) £173 if premiums are paid monthly.
- 5.2 Provided that ten years’ premiums have been paid, the ten year bonus will be transferred from a reserve fund of the Life Assurance Fund and paid into an investment sub-fund of the Life Assurance fund and shall be applied to purchase additional members’ units on the tenth anniversary of the commencement date. The number of units allocated will be calculated by dividing the ten year bonus by the price ruling on the tenth anniversary of the commencement date.

6. SUM PAYABLE ON MATURITY OR EARLIER DEATH

- 6.1 The policy shall mature on the eighty fifth anniversary of the date of birth of the member.
- 6.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- (a) an amount, at the discretion of the Committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate price; or

- (b) in the case of earlier death only if greater, the initial sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate price.

7. CESSATION OF PREMIUMS

7.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:

- (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
- (b) the full amount of premiums due under the policy has been received; or
- (c) the member dies.

7.2 Where premiums cease in the circumstances described in clause 7.1 (a) after payment of at least six years' premiums but before payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to this policy.

7.3 Where premiums cease in the circumstances described in clause 7.1 (a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and the Committee acting on the advice of the Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Actuary may determine.

7.4 In the circumstances arising in and in lieu of the benefits in 7.2 and 7.3 the member may, subject to the consent of the Committee, elect to surrender his policy in whole or in part after one year's premiums have been paid and receive a cash amount based on the appropriate value of the units surrendered provided that if the policy is surrendered within ten years of its commencement the whole of the policy must be surrendered and the cash amount will not exceed the amount of premiums paid.

No surrender in part which has the result of reducing the appropriate value of the units remaining on the policy to less than the initial sum assured will be permitted.

7.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Registered Office of the Society and shall take effect on the day received by the Society or upon such later date as may be therein specified.

7.6 Members ceasing to reside in the United Kingdom within the first ten years of the policy may commute all future premiums in which case the remaining renewal premiums or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

This commutation facility is available to all members once the initial ten year term has expired irrespective of their residence for purposes of United Kingdom taxation.

Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases.

8. **GENERAL**

- 8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 8.2 In the case of the death of a member or maturity or surrender of a policy, the appropriate price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.
- 8.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE XIV – RELATING TO FAMILY LIFE ASSURANCE BONDS

ISSUED AFTER 1ST DECEMBER, 1993

(A unit linked endowment assurance policy with premiums limited to a minimum of ten years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. Each eligible member will have a minimum sum assured of either £375, £750, £810, £1,240, £1,500 or £2,050. These sums disregard any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured and may itself be varied in accordance with any applicable change of law, provided that such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the initial sum assured under that policy such amount as the Committee shall determine on the advice of the Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty five years, the initial sum assured under the policy may, for each year by which that member's age exceeds fifty five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains the age of 85.

2. PREMIUMS

2.1 Premiums under the policy are payable either annually or monthly. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

2.2 The standard rate for premiums shall be as follows:

- (a) in respect of a policy which will provide a minimum sum assured of £375, the standard rate for premiums shall be £50 annually, the equivalent monthly premium being £4.50;
- (b) in respect of a policy which will provide a minimum sum assured of £750, the standard rate for premiums shall be £100 annually, the equivalent monthly premium being £9.00;
- (c) in respect of a policy which will provide a minimum sum assured of £810, the standard rate for premiums shall be £105 annually, the equivalent monthly premium being £10.00;
- (d) in respect of a policy which will provide a minimum sum assured of £1,240, the standard rate for premiums shall be £165 annually, the equivalent monthly premium being £15.00;

- (e) in respect of a policy which will provide a minimum sum assured of £1,500, the standard rate for premiums shall be £200 annually, the equivalent monthly premium being £18.00;
- (f) in respect of a policy which will provide a minimum sum assured of £2,050, the standard rate for premiums shall be £270 annually, the equivalent monthly premium being £25.00;

Where as a result of legislative change the minimum sum assured is to be other than as specified in paragraphs (a), (b), (c), (d), (e) and (f) above, the standard rate for premiums may be adjusted pro rata.

2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Actuary.

2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified age, being an age he will attain at a time not less than ten years after the commencement date.

3. ALLOCATION OF PREMIUMS

3.1 There shall be deducted from each premium paid to the Society an amount calculated in accordance with the following table:

Initial minimum sum assured	Proportion of first year's premium deducted	Proportion of second and each subsequent year's premiums deducted
£375	100%	Nil
£750	100%	Nil
£1,500	50%	Nil

All such deductions form a prior claim on premiums payable. Any amount deducted in accordance with this paragraph will be transferred to the Management Fund, together with amounts referred to in clauses 4.6 and 4.7 and the membership fee.

3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

3.3 The balance of all premiums shall be paid into an investment sub-fund of the Life Assurance fund and shall be applied in the purchase of members' units in accordance with clause 4 below.

4. UNITS ALLOCATED TO POLICIES

4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.

4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available referred to in clause 3.3 above or by reason of purchase of units out of the ten year bonus referred to in clause 5 below or, at the discretion of the

Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.

- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price"), subject to rounding of not more than one per cent.
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the price ruling at the date that the relevant premium is paid.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one-hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to thirteen-eightieths (13/80ths) of one per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Actuary shall determine.
- 4.7 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.8 The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned.

5. **SUM PAYABLE ON MATURITY OR EARLIER DEATH**

- 5.1 The policy shall mature on the eighty-fifth anniversary of the date of birth of the member.
- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
 - (a) an amount, at the discretion of the Committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate price; or
 - (b) in the case of earlier death only if greater, the initial sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate price.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
 - (a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non-payment; or
 - (b) the full amount of premiums due under the policy has been received; or
 - (c) the member dies.

- 6.2 Where premiums cease in the circumstances described in clause 7.1 (a) after payment of at least six years' premiums but before payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to this policy.
- 6.3 Where premiums cease in the circumstances described in clause 7.1 (a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and the Committee acting on the advice of the Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 7.2 and 7.3 the member may, subject to the consent of the Committee, elect to surrender his policy in whole or in part after one year's premiums have been paid and receive a cash amount based on the appropriate value of the units surrendered provided that if the policy is surrendered within ten years of its commencement the whole of the policy must be surrendered and the cash amount will not exceed the amount of premiums paid.

No surrender in part which has the result of reducing the appropriate value of the units remaining on the policy to less than the initial sum assured will be permitted.

- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Registered Office of the Society and shall take effect on the day received by the Society or upon such later date as may be therein specified.
- 6.6 Members ceasing to reside in the United Kingdom within the first ten years of the policy may commute all future premiums in which case the remaining renewal premiums or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

This commutation facility is available to all members once the initial ten year term has expired irrespective of their residence for purposes of United Kingdom taxation.

Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases.

7. GENERAL

- 7.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.
- 7.2 In the case of the death of a member or maturity or surrender of a policy, the appropriate price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.
- 7.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE XV

GUARANTEED GROWTH BOND

(Single premium endowment assurance with
a guaranteed maturity benefit)

1. **BENEFITS**

The Society shall issue to each of its adult members who shall apply therefor a policy of endowment assurance to assure the payment of a sum on the survival of the member to the maturity date or his earlier death. The minimum sum assured will be equal to the amount of the single premium.

The endowment assurance policy will attract a compound reversionary bonus, the rate of which will be determined at the inception of the policy by the Society's Actuary and this rate will be guaranteed for the duration of the policy. This bonus will be added at the end of each policy year during the term of the policy.

2. **SUM PAYABLE ON MATURITY OR EARLIER DEATH**

The policy shall mature on the fifth anniversary of the date of commencement of the policy. On maturity, the sum assured, plus the whole of the attaching bonuses, will be paid to the member; whilst on the earlier death of the member, the Society will pay the sum assured, plus the whole of the bonuses attaching to the policy up to the date of death.

3. **PREMIUMS**

The minimum single premium payable by the member is £2,000.

4. **SURRENDER**

No early surrender value is available.

5. **GENERAL**

Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members affecting a policy under this Table.

TABLE XVI

GUARANTEED INCOME BOND

(Single premium endowment assurance with guaranteed bonuses encashed annually)

1. BENEFITS

The Society shall issue to each of its adult members who shall apply therefor a policy of endowment assurance to assure the payment of a sum on the survival of the member to the maturity date or his earlier death. The minimum sum assured will be equal to the amount of the single premium.

The endowment assurance policy will attract a compound reversionary bonus, the rate of which will be determined at the inception of the policy by the Society's Actuary and this rate will be guaranteed for the duration of the policy. This bonus will be paid directly to the member at the end of each policy year during the term of the policy.

2. SUM PAYABLE ON MATURITY OR EARLIER DEATH

The policy shall mature on the fifth anniversary of the date of commencement of the policy. On maturity the Society will pay to the member the single premium, plus the bonus in respect of the final policy year; whilst on the earlier death of the member, the Society will pay the single premium, plus bonuses that have accrued to the policy between the last policy anniversary and the date of death.

3. PREMIUMS

The minimum single premium payable by the member is £2,000.

4. SURRENDER

No early surrender value is available.

5. GENERAL

Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members effecting a policy issued under this Table.

TABLE XVII

FAMILY TERM ASSURANCE

(Regular premium term assurance)

1. BENEFITS

The Society will issue to each of its members who shall apply therefor a policy of term assurance with the benefits written on a single life basis or either a first death or second death joint life basis, and is available irrespective of age of the investor or investors.

On the death of the member, or on the death of the first member to die, (first death joint life basis) or on the death of the second member to die (second death joint life basis), the Society will pay the sum assured to the member's estate, or nominated beneficiary.

The sum assured will be payable solely on death during the term of the policy and will be based on the applicable table of rates as amended to allow for any increased mortality risk.

2. PREMIUMS

The premium will be payable throughout the term of the policy, or until the earlier death of the life assured. In the event of the policyholder being a child and dying before attaining age 10, the death benefit is restricted to a return of all premiums paid. Premiums may be paid annually or monthly.

3. CESSATION OF PREMIUMS

A period of grace of one calendar month will be allowed for the payment of all premiums, except the first. If the premium is unpaid at the end of this period, the policy will be cancelled and no payment will be made by the Society.

4. GENERAL

4.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on death will be adjusted in accordance with the advice of the Actuary.

4.2 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such by the written receipt either of the member of whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

4.3 Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members effecting a policy issued under this Table.

TABLE XVIII

(Term Assurances to age 65 or 70 with various options)

1. BENEFITS

The Society shall issue to each of its members or such other persons as it may determine who shall apply therefor a policy of term assurance to assure the payment of a sum on the death of the member before age 65 or 70 or such other age as specified. The benefits may be written on a single life basis or either first death or second death joint life basis. The policy is available to members or other person within the age limits, if any, specified in the policy inclusive at entry.

On the death of the member, or on the death of the first member to die (first death joint life basis) or on the death of the second member to die (second death joint life basis), the Society will pay the sum assured (less, where applicable, the amount of any payments of benefit previously made under the policy) to the member's estate, or nominated beneficiary.

If the disability benefit option is available and is selected at the outset, the sum assured will become payable, provided that:

- (a) all due premiums have been paid, or deemed to have been paid; and
- (b) premiums have been waived under the terms hereof in respect of the specified life for a continuous period of at least six months; and
- (c) the Society has received medical and/or other evidence as it may require to its satisfaction and that the specified life has been totally unable to follow any occupation for a continuous period of twelve months prior to exact age 65 and, in the opinion of the Society's chief medical officer, will be unable to engage in any 'gainful occupation' for the remainder of his/her lifetime. 'Gainful occupation' means an occupation from which an income arises and shall not include housekeeping duties, unless carried out outside the specified life's own household for remuneration.

In the event of the sum assured becoming payable under the disability benefit option, no further payment of any benefits under the policy shall be made, and the policy shall be cancelled.

If the policy provides for a benefit to be paid in the event of Terminal Illness (as defined in the policy), the sum assured will become payable provided that:-

- (a) all due premiums have been paid; and
- (b) the Society has received notification and proof (to the satisfaction of the Society) prior to a Terminal Illness of the assured person.

In the event of such an illness, the full sum assured shall be paid and no further payment of any benefits shall be made and the policy shall be cancelled.

If the policy provides for a benefit to be paid in the event of a Serious Illness (as defined in the policy), then up to 50% of the sum assured will be paid to the policyholder over a period of 50 months or, if less, until the expiry date of the policy provided that:-

- (a) all due premiums have been paid; and
- (b) the Society has received such information, satisfactory to it, as it may require.

In the event of such an illness, the amount of death benefit subsequently payable under the policy will be reduced by the amount of any payments made in respect of such illness.

2. PREMIUMS

Premiums are payable monthly to age 65 or 70 or such other age at which the policy expires or until the earlier death of the life assured. On each anniversary of the commencement date of the policy the monthly premiums and the sum assured may increase by a specified percentage if so provided in the policy. Alternatively, and if so provided in the policy, at the third anniversary of the commencement date and each subsequent third anniversary, the premium may be recalculated to reflect the then current age of the member, and premium rate tables and the revised sum assured described herein.

3. SUM PAYABLE ON DEATH

The amount of sum assured shall be reviewed at the third anniversary of the commencement date and each subsequent third anniversary against the value at that time of certain investments, prior notice of which shall have been submitted with the application for the policy.

- i) where the value of these investments has risen since the last such review date, or for the first such review date, the date of commencement of the policy, the sum assured shall be reduced by a part of the increase as specified by the Society at that time;
- ii) where the value of these investments has not increased since the last such review date, or for the first such review date, the date of commencement of the policy, the sum assured shall remain unchanged;
- iii) where the investments have been encashed, or part encashed, since the last such review date, or for the first such review date, the date of commencement of the policy, the sum assured shall be reduced by the amount realised on encashment and, in the event of partial encashment, by a part (as specified by the Society at the time), or any increase in the value of the balance of the investments;
- iv) where the value of these investments is not forthcoming, the sum assured shall be reduced as though the investments had been wholly encashed for an amount equal to the last notified value of these investments as in iii) above.
- v) where iii) or iv) above apply, the Society reserves the right to reduce the benefit payable.

The Society shall apply its then premium rate table for the continuing benefits in order to ascertain the premiums for the period until the next review date.

4. OPTIONS

Increase on Special Event

If so stated in the policy and not excluded in the policy schedule, the sum assured may be increased on written notice to the Society within three months of the happening of a special event. A special event is defined as one or more of:

- i) the birth to or legal adoption of a child by the specified life;
- ii) moving house by the specified life for his/her own occupation;

provided that the special event occurs before exact age 50 of the specified life.

The amount of each increase shall not exceed 25% of the then amount of sum assured of i) above, and 50% of the then amount of sum assured for ii) above, subject to a combined total increase on the life of the specified life not exceeding the lower of the initial sum assured under this policy, and £100,000 (or such higher amount as the Society may determine from time to time).

The Society shall issue a new policy on the sole life of the specified life in respect of each increase in sum assured under this condition. Where this policy has been issued on standard rates and the terms and does not exclude disability benefits, then each new policy shall:

- a) include the corresponding benefits under condition 1 and 2 above; and
- b) not include benefits under condition 3 unless agreed by the Society at that time.

5. CESSATION

A period of grace of either one or three calendar months as stated in the policy will be allowed for the payment of all premiums, except the first. If the premium is unpaid at the end of this period, the policy will be cancelled and no payment will be made by the Society.

6. WAIVER OF PREMIUM

If so stated in the policy and if disability benefits apply, waiver of contribution benefit will be provided under the policy.

Where waiver of premium benefit is provided under the policy, then for the duration of any 'period of waiver' the member shall be entitled to be credited as set out below for all purposes of the policy with such regular premiums as would have been paid by him. A period of waiver is a period, occurring prior to the member's 65th birthday, or retirement date if earlier, during which a member is unable to follow his normal, or any similar, occupation by reason of sickness, either mental or physical, accident or injury subject to an initial 26 week waiting period. At least 26 weeks' written notice of incapacity must be given to the Society before a period of waiver commences.

Any monthly contributions falling due during the period of waiver shall be waived.

If within 26 weeks of the date on which a period of waiver ceases, a further period of incapacity of at least one month commences as a result of the same cause, the Society will regard the further period of incapacity as a continuance of the first period.

The member shall provide the Society with such information as it shall reasonably require in order that it may be satisfied regarding the nature and duration of the incapacity, both at the commencement of the incapacity and at reasonable intervals thereafter.

Waiver of contribution benefit shall not be available where the member changes his occupation unless prior written notice of such change is given and the Society has confirmed in writing the terms of continued waiver of premium benefit.

No premium shall be waived in respect of the member's incapacity arising from:

- i) active participation in military hostilities (whether or not war has been declared) riot or civil commotion;
- ii) pregnancy, child birth or associated medical complications unless the incapacity continues for more than twelve weeks after the termination of pregnancy in which event incapacity shall be deemed to have commenced twelve weeks after the termination of pregnancy;
- iii) Acquired Immunodeficiency Syndrome (AIDS) or infection by any Human Immunodeficiency Virus (HIV) whether directly or indirectly;
- iv) self-inflicted injury or the taking of alcohol or drugs otherwise than under the direction of a qualified medical practitioner.

If the member spends any period or periods totalling more than twelve weeks in any period of twelve consecutive months outside the European Community waiver of contributions benefits shall cease to apply unless prior written notice is given and the Society confirms in writing that the waiver of

contributions benefit shall continue to apply.

Notwithstanding the continued incapacity of the member if the member shall reside or travel outside the European Community for any period during a period of waiver, the Society shall be entitled to cancel the waiver of contributions benefit at its discretion.

The charge in respect of waiver of contributions benefit shall be up to 3% of the regular contribution level as determined by the Committee of Management on the advice of the Actuary and may be valid at any time. The current charge is 3% of each regular contribution. The charge shall be deducted from each regular contribution failing which the benefit shall be cancelled.

7. GENERAL

If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuary.

Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either by the member to whom such policy is issued, or of the personal representative of such member; and such member or his personal representative (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members effecting a policy issued under this Table.

As amended by the Committee of Management
on 19th February, 1998

.....

K. F. Meeres

TABLE XIX

SINGLE PREMIUM INVESTMENT BOND

(Single premium investment linked whole of life assurance)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of whole life assurance to assure the payment of a sum on the death of the member. The benefits may be written on a single life basis or either first death or second death, joint life basis. On the death of a member, or on the death of the first member to die (first death joint life basis), or on the death of the second member to die (second death joint life basis), the Society will pay to the member's estate, or nominated beneficiary, 101% of the bid value of the underlying units as at the valuation date after receipt of notification of death.

Notwithstanding what is stated above, in the event of the life assured being a child and dying before attaining age 10, the death benefit will not be greater than the single premium paid.

2. PREMIUMS

A member may pay a single premium of £1,000.

3. ALLOCATION OF PREMIUMS

There shall be deducted from a single premium expenses not exceeding the following:

Fund Related Charges

Bid Offer Spread	-	6%
Management Charge	-	a monthly deduction charge of 1/16 of 1% of the fund

After deduction of the premium related management expenses, the balance of premium received will be invested in a separate notional fund (the fund) within the Society's ordinary benefit fund for the sole purpose of quantifying amounts to be defined by reference to units. Units are units of measurement only and in themselves confirm no beneficial interest in the assets invested in the fund.

4. UNITS ALLOCATED TO POLICIES

The Committee will arrange for the fund(s) to be valued on the tenth day of each month, or the next working day thereafter (the "valuation date") and following the valuation will circulate the 'offer price' and the 'bid price' of units.

The offer price will be the price at which a member may purchase units, and the bid price will be the price at which a member may sell units. Units will be purchased on the valuation date in the calendar month following the calendar month of payment of the premium.

For each fund, the offer price is calculated by dividing the total market value of the fund at the valuation date, after a provision for capital gains tax or other taxes incurred by the Society on a basis to be determined from time to time by the Society's Actuary, by the total number of units in issue at that date, increasing the result by such amount as the Society's Actuary determines is appropriate in

respect of all acquisition costs of the investments of the fund, and by the appropriate bid/offer spread. The bid price will be calculated by reducing the previously mentioned result by such amount as the Society's Actuary determines is appropriate in respect of all costs of realisation of the investments. The offer price, or bid price so calculated will be adjusted for all stock price variations.

The offer price so calculated will be rounded up to the next higher penny, and the bid price so calculated will be rounded down to the next lower penny.

- a) The Committee at its discretion may provide for any number of separately identifiable notional funds within the Society's ordinary benefit fund, and permit the member to specify into which of these notional funds the premium is to be invested;
- b) the Committee will calculate an offer price and a bid price for each separate notional fund;
- c) the Committee reserves the right to require six months' notice of such intended switches, if such switches would, in the opinion of the Committee for any reason, adversely affect the interests of other members.

5. **SURRENDER**

The policy may be surrendered, in part or in full, for cash at any time provided the member has, or the members have each, attained age 18 at the date of surrender. The surrender value will be the bid value of the underlying units cancelled as at the next valuation date following receipt by the Society of the member's request. Any such encashment can be made provided that the amount of cash withdrawn is at least £250 in the case of irregular withdrawals, or £100 in the case of regular withdrawals, and that the bid value of the remaining underlying units is at least £500.

6. **GENERAL**

In the case of the death of a member, or surrender of a policy, the appropriate price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.

Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with, or in receipt of, any payment being made in reliance upon any such receipt.

Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members effecting a policy issued under this Table.

TABLE XX

DISCONTINUED FAMILY LIFE ASSURANCE LIMITED PRODUCTS

1. PENSION SCHEME

A unit linked personal pension scheme with full appropriate pension scheme approval under Chapter IV of Part XIV of the Income and Corporation Taxes Act, 1988. Included within the scheme is the following:

- i) non appropriate element of a personal pension scheme;
- ii) appropriate element to personal pension scheme;
- iii) life assurance;
- iv) waiver of premium.

2. TERM ASSURANCE

A level term assurance policy which provides a benefit payable in the event of the death of the life (lives) assured within the policy term.

3. MORTGAGE PROTECTION

A regular premium decreasing term assurance policy providing in the event of the death of the life (lives) assured within the policy term a sum assured sufficient to cover the normal capital outstanding under a mortgage re-payable over the specified policy term by level instalments comprising principle and interest. This is a non profit contract.

4. INVESTMENT – LINKED LOW COST ENDOWMENT

A regular premium, qualifying, unit linked endowment providing the following:

- i) on the death of the life (lives) assured within the policy term a death benefit equal to the greater of the guaranteed minimum death benefit that is written into the policy or the full bid value of the underlying units as at the valuation date immediately following the date of notification of death;
- ii) on the survival of the life (lives) assured to the end of the policy term, the full bid value of the underlying units as at the valuation date immediately following the maturity.

Two versions of this contract were available:

- i. a level premium version where premium payments remain constant throughout the policy term; and
- ii. a low start version where the initial premium increases by 10% simple on each of the first ten policy anniversaries. Thereafter, premiums will be set to remain level throughout the rest of the policy term.

5. PERMANENT HEALTH INSURANCE

A permanent health insurance contract designed to provide a disability income to protect the insured against loss of earned income in the event of disability due to illness or accident.

Disability is defined as being “totally unable by reason of sickness or accident to follow one’s own occupation or occupations and not following any other occupation. If the disability shall have

persisted continuously for 104 weeks, it shall be deemed to continue if the insured is unable to follow his or her occupation or any other occupation to which he or she is reasonably suited by education, training or experience”.

6. **WHOLE OF LIFE PREMIUM**

A regular premium, qualifying unit linked whole of life assurance policy, with premiums payable for ten years only providing a benefit, payable on death, equal to the greater of the guaranteed minimum level of life assurance cover written into the contract or the full bid value of the underlying units as at the valuation immediately following the date of death of the life assured.

7. **PURCHASE LIFE ANNUITIES**

A purchase life annuity established by single premium and available in the following forms:

- Immediate Annuities - providing for the payment of a regular sum during the lifetime of the annuitant.
- Guaranteed Annuities - providing for the payment of a regular specified period – usually five or ten years – and thereafter for the continued lifetime of the annuitant.
- Joint Life and Last - providing for the payment of a regular sum until the death of the last surviving annuitant.
- Temporary Annuities - providing for the payment of a regular sum for a fixed number of years but ceasing on the early death of the annuitant.

Capital protected immediate and temporary annuities were also issued and in these circumstances, in the event of the death of an annuitant, the legal personal representatives will receive an amount equal to any excess money over the total amount of annuity instalments paid to the annuitant prior to the date of death. No payment is made if the instalment of gross annuity paid exceeds the original single premium investment.

8. **MAXIMUM INVESTMENT PLAN**

A regular premium, qualifying unit linked whole of life plan with premiums limited to ten years. The plan provides a benefit payable on death equal to the greater of the guaranteed sum assured or the full bid value of the underlying units as at the valuation date immediately following the date of death of the life assured.

9. **GENERAL**

Further terms applicable to each of the policies covered by this Table are set out in the policy documents issued to members affecting such a policy. Copies of the relevant policy documentation and/or a summary of applicable terms, will be made available to members upon request.

TABLE XXI

DISCONTINUED TIME ASSURANCE SOCIETY PRODUCTS

The Society shall continue to operate (but may no longer issue) policies issued by Time Assurance Society (or Savers Assurance Society) prior to the conversion of Time Assurance Society into Templeton Life Assurance Limited on 26th September 1990. The Society acknowledges its liabilities for all sums secured by such policies. The terms and conditions applicable to such policies are set out in the Rules and Tables of Time Assurance Society (as applicable at the time the policy in question was issued) and the policy documentation issued in connection with each such policy. Copies of the relevant policy documentation and/or a summary of applicable terms, will be made available to members upon request.

TABLE XXII

FAMILY LIFE ASSURANCE BONDS ISSUED AFTER MAY, 1995

(a unit linked endowment assurance policy with premiums limited to a minimum of ten years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. Each eligible member will have a minimum sum assured of either £810, £1,240 or £2,050. These sums disregard any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the initial sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty five years, the initial sum assured under the policy may, for each year by which that member's age exceeds fifty five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sun funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains the age of 85.

2. PREMIUMS

2.1 Premiums under the policy are payable either annually or monthly. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

2.2 The standard rate for premiums shall be as follows:

- a) in respect of a policy which will provide a minimum sum assured of £810, the standard rate for premiums shall be £105 annually, the equivalent monthly premium being £10.00.
- b) in respect of a policy which will provide a minimum sum assured of £1,240 the standard rate for premiums shall be £165 annually, the equivalent monthly premium being £15.
- c) in respect of a policy which will provide a minimum sum assured of £2,050, the standard rate for premiums shall be £270 annually, the equivalent monthly premium being £25.00.

Where as a result of legislative change, the minimum sum assured is to be other than as specified in paragraphs a), b) and c) above, the standard rate for premiums may be adjusted pro rata.

- 2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.
- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified age, being an age he will attain at a time not less than ten years after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 Save as provided in this Table, 100% of all premiums paid to the Society in respect of policies written under this Table shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of member's units in accordance with Clause 4 below. Members may, however, opt to pay the membership fee referred to in Rule 1 out of their premiums, in which event such membership fee will be collected from any premiums and contributions paid. Any amounts so collected will be transferred to the Management Fund.
- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3 above or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price"), subject to rounding of not more than one per cent.
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the price ruling at the date that the relevant premium is paid.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to thirteen eightieths (13/80ths) of one per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Appointed Actuary shall determine.

- 4.7 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.8 The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Appointed Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned.

5. SUM PAYABLE ON MATURITY OR EARLIER DEATH

- 5.1 The policy shall mature on the eighty fifth anniversary of the date of birth of the member.
- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate price; or
 - b) in the case of earlier death only, if greater, the initial sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate price.

6. CESSATION OF PREMIUMS

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has been paid-up or has lapsed through such non-payment; or
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 6.2 Where premiums cease in the circumstances described in clause 6.1 (a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to the policy.
- 6.3 Where premiums cease in the circumstances described in clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine and the Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole or in part after one year's premiums have been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first five years, the policy has to be surrendered in whole and the cash amount to be paid to the member will be subject to an administration charge not exceeding £50.

- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's registered office. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.
- 6.6 Members ceasing to reside in the United Kingdom within the first ten years of the policy may commute all future premiums in which case the remaining renewal premiums or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

This commutation facility is available to all members once the initial ten year term has expired irrespective of their residence for purposes of United Kingdom taxation.

Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases.

7. **EXTENSION FACILITY**

On the tenth anniversary of the policy commencement date (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such anniversary notice of extension of the premium payment term shall have been given in writing to the Society at its registered office on a form provided by the Society for that purpose.

Such extensions of the premium payment term shall be for such further periods as the member may, with the prior consent of the Society, select.

Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

Any further premiums payable pursuant to the exercise of this extension facility, shall be in the same amount as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

8. **GENERAL**

- 8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.
- 8.2 In the case of the death of a member or maturity or surrender of a policy, the appropriate price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.
- 8.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

TABLE XXIII

Family Life Assurance Bonds Issued After 1 March 1998

(a unit linked endowment assurance policy with premiums limited to a minimum of ten years from the outset)

1. **Benefits**

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. Each eligible member will have a minimum sum assured equal to 75% of the premiums payable over the term of the policy subject to clause 5.2 below. This sum disregards any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the initial sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years, the initial sum assured under the policy may, for each year by which that member's age exceeds fifty five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains an age not exceeding 85 and being an age not less than 10 years after the beginning of the term of the policy.

2. **Premiums**

2.1

Premiums under the policy are payable either annually or monthly at any time during the payment period. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by bank standing order or as otherwise permitted from time to time by the Committee.

2.2

The minimum rate for premiums shall be £60.00 annually or £5.00 monthly. Premiums are payable above these levels up to the statutory maximum allowed.

Where, as a result of legislative change, the statutory maximum premium is amended the sum assured is adjusted pro rate.

2.3

Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.

2.4

Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified age, being an age he will attain at a time not less than ten years after the commencement date.

2.5

Where the statutory maximum premium allowable is increased, the new premium level will be payable to the end of the payment term selected at outset as set out in Section 460 of the Income and Corporation Taxes Act 1988.

3. **Allocation of Premiums**

3.1

There shall be an initial charge of £120 or such other charge as the Committee acting on the advice of the Appointed Actuary shall determine.

The initial charge will be deducted from premiums and will form a prior claim on the premiums payable. Any amount deducted in accordance with this paragraph will be transferred together with the amounts referred to in paragraphs 4.6 and 4.7 of this Benefit Table to the Management Fund.

3.2

The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

3.3

The balance of all premiums shall be paid into an investment sub-fund of the Life Assurance Benefit Fund and shall be applied in the purchase of member's units in accordance with paragraph 4 below.

4. **Units Allocated to Policies**

4.1

Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.

4.2

Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3.3 above or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.

4.3

At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price"), subject to rounding of not more than one per cent.

4.4

There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the price ruling at the date that the relevant premium is paid.

4.5

Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.

4.6

On one allocation date in every month prior to the calculation of the price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount of thirteen eightieths (13/80ths) of one per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Appointed Actuary shall determine.

4.7

On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.

4.8

The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Appointed Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned. The Society may collect all charges applicable up to and including the date of death.

5. **Sum Payable on Maturity or Earlier Death**

5.1

The policy shall mature on the eighty fifth anniversary of the date of birth of the member.

5.2

The sum payable on maturity of the policy on earlier death of the member shall be:

- a) an amount, at the discretion of the Committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the appropriate price; or
- b) in the case of earlier death only, if greater, the minimum sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the appropriate price.

No sum assured will be payable to members under the age of 10 years at death. In such circumstances payment shall be the greater of the value of the policy determined as set out in 52(a) above, or a refund of the premiums paid.

6. **Cessation of Premiums**

6.1

A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:

- a) a premium is outstanding at the end of the period of grace and the policy has lapsed through such non payment; or
- b) the full amount of premiums due under the policy has been received; or
- c) the member dies.

6.2

Where premiums cease in the circumstances described in clause 6.1(a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of the full premiums due for the specified payment term, the policy will be classed as a paid-up policy with such units as the Committee shall determine and no further units shall be allocated to the policy. With effect from the date the policy became paid-up, the value of the units held may be transferred into a taxable fund.

Providing that all outstanding premiums are paid within 13 months from the date it was made paid-up, or such other time period as specified within relevant legislation, the policy may be reinstated.

6.3

Where premiums cease in the circumstances described in clause 6.1(a) or (b) other completion of the specified payment term, the member shall be entitled to a policy with such units as the Committee shall determine and the Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.

6.4

In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole or in part after one year's premiums have been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first five years, the cash amount to be paid to the member will be subject to an administration charge not exceeding £50. In the event that a member elects to surrender his policy in part, the policy must have completed three quarters of its term.

6.5

Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's registered office. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.

6.6

Members ceasing to reside in the United Kingdom may commute all future premiums in which case the remaining renewal premiums or instalments of renewal premiums, for the balance of the period for which premiums are due, may be paid to the Society. This amount shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom.

This commutation facility is available to all members once fifty percent (50%) of the specified term, or a period of ten years whichever is less, has expired irrespective of their residence for purposes of United Kingdom taxation, or at the earliest opportunity otherwise available without adverse tax treatment as provided in the relevant legislation.

Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases.

7. **Extension Facility**

On the expiry of the payment term selected at outset premiums shall cease to be payable under the policy unless within 13 months after the end of the payment term notice of extension of the premium payment term shall have been given in writing to the Society at its registered office on a form provided by the Society for that purpose.

Such extensions of the premium payment term shall, with the prior consent of the Society, be up to the eighty fifth anniversary of the date of birth of the member.

Any further premiums payable pursuant to the exercise of this extension facility, shall be in the same amount as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

8. **General**

8.1

If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.

8.2

In the case of the death of a member the appropriate price shall be the unit price ruling on the date of notification. Net interest will be payable between the date of notification and the date of settlement, the date of settlement being the next working day following receipt of the last document required to support the claim.

In the case of the surrender of a policy, the appropriate price shall be the unit price ruling on the most recent allocation date prior to receipt by the Society of the last document required to support the election to surrender.

8.3

Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

8.4

The Society may, on application from a member, accord loans (with or without security) based on the sum assured of a policy written under this Table subject to, and in accordance with, the relevant regulatory provisions of the Friendly Societies Act 1992 and all other regulatory and/or fiscal legislation and rules.

Approved by the Committee of Management
on 22nd July 2003

.....
K. F. Meeres

NOTE: for clarification, the 13 month extension option in section 7 has not been promoted to policyholders and nor should it be offered to or permitted for policyholders in the future in order to preserve the qualifying status of policies.

TABLE XXIV

INDIVIDUAL SAVINGS ACCOUNT – LIFE INSURANCE COMPONENT ISSUED AFTER 5TH APRIL 1999

(a unit-linked whole of life assurance policy)

1. BENEFITS

The Society shall issue to each of its eligible members who shall apply therefor a policy of whole of life assurance to assure the payment on the death of a member of a gross sum in accordance with the regulatory requirements applicable to life insurance components of Individual Savings Accounts. Each eligible member will have a minimum sum assured equal to 101% of the premiums paid. This sum disregards any bonus or addition which may be declared or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the initial sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

2. PREMIUMS/TRANSFERS

2.1 Premiums under the policy are payable in respect of a single tax year only and either annually, monthly or at any other time as agreed by the Committee, at any time during the payment period. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by direct debit authority or as otherwise permitted from time to time by the Committee.

2.2 The minimum rate for premiums shall be £120 annually or £10.00 monthly. Premiums are payable above these levels up to the statutory maximum allowed in respect of life insurance components of Individual Savings Accounts.

2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.

2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy although there is no contractual obligation on the member to make premium payments after the first such payment has been made.

2.5 The policy may be funded by means of a transfer of accrued value from another life policy of the member which is a qualifying life insurance component of an Individual Savings Account provided that there where such other life policy is established in the same tax year as the proposed transfer the full-accrued value thereof must be transferred. The amount so transferred shall be treated as a lump sum premium for the purposes of the policy.

3. ALLOCATION OF PREMIUMS

- 3.1 There shall be an initial charge of £120 or such other charge as the Committee acting on the advice of the Appointed Actuary shall determine.

The initial charge will be deducted from premiums and will form a prior claim on the premiums payable. Any amount deducted in accordance with this paragraph will be transferred together with the amounts referred to in clauses 4.7 and 4.8 of this Benefit Table to the Management Fund.

- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

- 3.3 The balance of all premiums shall be paid into an investment sub-fund of the Life Assurance Benefit Fund and shall be applied in the purchase of member's units in accordance with clause 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.

- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3.3 above or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.

- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price"), subject to rounding of not more than one per cent.

- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund by the price ruling at the date that the relevant premium is paid.

- 4.5 The bid price of units will be determined by the Committee on each allocation date and not be less than ninety-five percent of the offer price of such units.

- 4.6 On one allocation date in every month prior to the calculation of the price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount of 1/12th of one and a half per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Appointed Actuary shall determine.

- 4.7 On the same date as in clause 4.6 there shall also be transferred to the Management Fund an amount of 1/12th of one per cent of the value of the policy deducted by the cancellation of the appropriate amount of units from the policy, or such percentage as the Committee acting on the advice of the Appointed Actuary shall determine. This charge may be reduced or waived if the premiums payable under the policy exceed such amount as the Committee acting on the advice of the Appointed Actuary shall determine.

- 4.8 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.9 The cost of providing life cover may be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Appointed Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned. The Society may collect all charges applicable up to and including the date of death.

5. **SUM PAYABLE ON DEATH**

The sum payable on death shall, at the discretion of the Committee, be the greater of:

- (a) One hundred and one per cent (101%) of the premiums paid, and
- (b) An amount based on the number of units allocated to a policy at the date of settlement valued at the appropriate price. The date of settlement will be the date on which the Society has received evidence which the Committee of Management (at its sole discretion) deems satisfactory to provide valid title to such sum.

6. **CESSATION OF PREMIUMS**

6.1 Premiums shall be deemed to have ceased if:

- a) the maximum amount of premiums payable under the policy in accordance with the relevant regulatory requirements has been received; or
- b) the member discontinues the payment of premiums at any time following the first premium; or
- c) the member dies; or
- d) the member elects to transfer the accrued value of the policy to another Individual Savings Account.

6.2 Where premiums cease in the circumstances described in clause 6.1 the member's policy shall hold such units as the Committee shall determine and the Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.

7. **WITHDRAWALS**

7.1 A member may elect to surrender his policy in whole or in part and receive a cash amount based on the appropriate value of the units surrendered rounded up to the nearest penny, or such other guaranteed amount as may be determined by the Committee on the advice of the Appointed Actuary prior to the issue of the policy.

7.2 Every surrender shall be in writing or in any other manner as prescribed by the Committee and shall be delivered to the Society's registered office. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.

8. GENERAL

8.1 In the case of the death of a member the appropriate price shall be the unit price ruling on the date of settlement.

In the case of the surrender of a policy, the appropriate price shall be the unit price ruling on the day of settlement.

8.2 The policy constitutes the life insurance component of an Individual Savings Account in the name of the member and may accordingly be varied in order to comply with all applicable regulatory requirements as from time to time in force in respect of such policies. As such no transfer of the policy or the rights conferred by the policy or any share or interest therein (other than the cash proceeds from its termination or partial surrender of rights conferred thereunder) may be made to the member and the same shall not be capable of assignment other than to the member's personal representatives upon death or to an Individual Savings Account manager in accordance with the relevant regulatory requirements. Furthermore, the policy shall automatically terminate if the policy is not or ceases to be owned or held as a qualifying investment for an insurance component of an Individual Savings Account.

8.3 Notwithstanding the beneficial interest of any beneficiary in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member; and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

Amended and Approved by the Committee of Management
on 17th April 2001

.....
K. F. Meeres

TABLE XXV

POIS TAX EXEMPT LIFE ASSURANCE BONDS ISSUED AFTER 1ST APRIL 2002

(a unit linked endowment assurance policy with the payment of premiums limited to a minimum of between ten and to a maximum of twenty-five years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor, or who shall have an application made on their behalf, a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. The benefits may be written on a single life basis only. Each eligible member will have a minimum sum assured equal to 75% of the premiums payable over the initial premium payment term of the policy subject to clause 5 below. This sum disregards any bonus or addition, which may be declared, or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the minimum sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years, the minimum sum assured under the policy may, for each year by which that member's age exceeds fifty-five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the anniversary of the policy prior to the date upon which the member attains an age of 85 and being an age not less than 10 years after the beginning of the term of the policy. The maximum age at entry is 74 years attained.

2. PREMIUMS

2.1 Premiums under the policy are payable monthly during the premium payment term. Premiums shall be paid either through the payer's payroll deduction by either monthly deduction or an accumulation of weekly salary deductions or through the payer's bank account by monthly direct debit authority. Calculations of weekly salary deductions are based on monthly premiums multiplied by twelve to give an annual amount due and then divided by fifty-two to give a weekly figure. Each weekly deduction made by payroll is accumulated and then paid to the Society at the end of the month. Such accumulation will vary between 4 weeks and 5 weeks deductions depending on the number of weeks or parts thereof in any given month. No interest is added to weekly contributions pending payment thereof to the Society.

Payroll deduction is made on terms agreed with the payer's employer who is responsible for collection of premiums and timely remittance to the Society each month.

2.2 The minimum rate for premiums shall be £10.00 monthly (equivalent to £2.31 weekly or £120 annually). Premiums are payable above these levels in whole pound amounts up to the statutory maximum allowed for a tax exempt friendly society policy.

Where, as a result of legislative change, the statutory maximum premium is amended the sum assured is adjusted pro-rata.

- 2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.
- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified date, being a date not less than ten years nor more than twenty five after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 Save as provided in this Table, 100% of all premiums paid to the Society in respect of policies written under this Table shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of member's units in accordance with clause 4 below. The amount of the administration fee will be determined, and may from time to time be varied, by the Committee acting on the advice of the Appointed Actuary. The administration fee will be transferred to the Management Fund for the duration of the policy by cancellation of an appropriate number of units allocated to such policy.
- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3 above or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the unit price").
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the unit price ruling at the next allocation date.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one-hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the asset price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to thirteen-eightieths ($\frac{13}{80}$ ths) of one per cent of the value of the net assets of the investment sub-fund at such date, or such other

percentage as the Committee acting on the advice of the Appointed Actuary shall determine. Any increase in such percentage shall not take effect until the expiry of three months from such date as the Society shall have sent notifications thereof to affected members.

5. **SUM PAYABLE ON MATURITY OR EARLIER DEATH**

- 5.1 The policy shall mature on the anniversary of the policy prior to the date in which the member attains the age of 85.
- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, at the discretion of the committee based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the asset price; or
 - b) in the case of earlier death only, if greater, the initial sum assured, save that in the case of a paid-up policy, the amount payable will be based solely on the number of units allocated to the policy valued at the asset price, and
 - c) Provided that no sum assured will be payable in respect of members under the age of 10 years at death. In such circumstances payment shall be a return of premiums paid only.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 6.2 Where premiums cease in the circumstances described in clause 6.1 (a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy and there will be a deduction of units equivalent to the amount of the administration fee in 3.1.
- 6.3 Where premiums cease in the circumstances described in clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy and there will be a deduction on the date of allocation of units equivalent to the amount of the administration fee in 3.1. The Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole after one premium has been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first ten years, the policy has to be surrendered in whole and the cash amount to be paid to the member will be subject to an administration charge of £100 or other such amounts as the Committee acting on the advice of the Appointed Actuary may determine.

- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's administration office at the address stated on the form. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.
- 6.6 Members can commute their policy premiums by paying a lump sum in respect of the remaining premiums, but only in the following circumstances:
- the lump sum derives from the maturity proceeds of an existing POIS / Family tax exempt (friendly society) policy, or
 - the policy has been in force for 10 years or half its original policy term to maturity, whichever ever is the lesser, or
 - the member ceases to be resident in the UK, or provides adequate evidence of their intention to emigrate (the amount of premiums shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom).

Unit allocation will be made according to the date of receipt of the full commuted premium amount in all cases.

7. EXTENSION FACILITY

On the expiry of the premium payment term of the policy (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such anniversary notice of extension of the premium payment term shall have been given in writing to the Society at its administration office on a form provided by the Society for that purpose.

Such extension of the premium payment term shall be for a further period of ten years only.

Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

Any further premiums payable pursuant to the exercise of this extension facility, shall be at the same rate as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

Any option granted under a policy issued under this Table is only to apply so as to permit variation of the policy or issue of a policy in substitution in such a way that the policy is varied, or the substituted policy, will be a qualifying policy under the rules in schedule 15 of Income and Corporation Taxes Act 1988.

8. GENERAL

- 8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.
- 8.2 In the case of the death of a member or maturity or surrender of a policy, the asset price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.
- 8.3 Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member and such member or his personal representatives

(as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

- 8.4 In the case of a policy where at outset the member was a minor the Society, at the discretion of the Committee of Management may decline any request to surrender the policy prior to the end of the premium payment term or preferred encashment age unless such surrender request is made with the written agreement of the payer of the policy premiums.
- 8.5 The policy is a tax-exempt policy, and as such the investment sub-fund in which it invests is free of UK taxes on both income and capital gains. As a qualifying policy the proceeds on death, maturity or encashment after ten years will be subject to no further capital gains or income tax. On maturity benefits are payable free of income tax and capital gains tax.

However, if the policy is surrendered within the first 10 years this may create a liability to income tax at the member's marginal rate of tax. Policyholders may also lose part or all of any age allowance to which they are entitled. An income tax liability may also occur upon encashment including death if a policy is made paid-up within the first ten years.

The tax benefits and terms described above may be subject to legislative change.

TABLE XXVI

POIS TAXABLE LIFE ASSURANCE BONDS ISSUED AFTER 1ST APRIL 2002

(a unit linked endowment assurance policy with the payment of premiums limited to a minimum of between ten and to a maximum of twenty-five years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. The benefits may be written on a single life basis only. Each eligible member will have a minimum sum assured equal to 75% of the premiums payable over the initial premium payment term of the policy subject to clause 5 below. This sum disregards any bonus or addition, which may be declared, or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the minimum sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty five years, the minimum sum assured under the policy may, for each year by which that member's age exceeds fifty five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the anniversary of the policy prior to the date upon which the member attains an age of 85 and being an age not less than 10 years after the beginning of the term of the policy. The minimum age at entry is 16 years attained and the maximum age at entry is 74 years attained.

2. PREMIUMS

- 2.1 Premiums under the policy are payable monthly during the premium payment term. Premiums shall be paid either through the payer's payroll deduction by either monthly deduction or an accumulation of weekly salary deductions or through the payer's bank account by monthly direct debit authority. Calculations of weekly salary deductions are based on monthly premiums multiplied by twelve to give an annual amount due and then divided by fifty-two to give a weekly figure. Each weekly deduction made by payroll is accumulated and then paid to the Society at the end of the month. Such accumulation will vary between 4 weeks and 5 weeks deductions depending on the number of weeks or parts thereof in any given month. No interest is added to weekly contributions pending payment thereof to the Society. Payroll deduction is made on terms agreed with the payer's employer who is responsible for the collection of premiums and timely remittance to the Society each month.
- 2.2 The minimum rate for premiums shall be £15.00 monthly (equivalent to £180.00 annually or £3.46 weekly). Premiums in excess of £15.00 per month must be in whole pound amounts. The maximum rate for premiums shall be £1,000.00 monthly (equivalent to £12,000.00 annually or £230.77 weekly).

- 2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.
- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified date, being a date he will attain at a time not less than ten nor more than twenty five years after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 Save as provided in this Table, 100% of all premiums paid to the Society in respect of policies written under this Table shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of member's units in accordance with clause 4 below. The amount of the administration fee will be determined, and may from time to time be varied, by the Committee acting on the advice of the Appointed Actuary. The administration fee will be transferred to the Management Fund for the duration of the policy by cancellation of an appropriate number of units allocated to such policy.
- 3.2 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3 above or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the unit price").
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the unit price ruling at the next allocation date.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the asset price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to thirteen eightieths (13/80ths) of one per cent of the value of the net assets of the investment sub-fund at such date, or such other percentage as the Committee acting on the advice of the Appointed Actuary shall determine. Any increase in such percentage shall not take effect until the expiry of

three months from such date as the Society shall have sent notifications thereof to affected members.

5. **SUM PAYABLE ON MATURITY OR EARLIER DEATH**

- 5.1 The policy shall mature on the anniversary of the policy prior to the date in which the member attains the age of 85.
- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, at the discretion of the committee based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the asset price; or
 - b) in the case of earlier death only, if greater, the initial sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the asset price.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 6.2 Where premiums cease in the circumstances described in clause 6.1(a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy and there will be a deduction of units equivalent to the amount of the administration fee in 3.1.
- 6.3 Where premiums cease in the circumstances described in clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy and there will be a deduction of units equivalent to the amount of the administration fee in 3.1. The Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole after one premium has been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first ten years, the policy has to be surrendered in whole and the cash amount to be paid to the member will be subject to an administration charge of £100 or other such amounts as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's administration office at the address stated on the form. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.

7. EXTENSION FACILITY

On the expiry of the premium payment term of the policy (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such anniversary notice of extension of the premium payment term shall have been given in writing to the Society at its administration office on a form provided by the Society for that purpose.

Such extension of the premium payment term shall be for a further period of ten years only.

Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

Any further premiums payable pursuant to the exercise of this extension facility, shall be at the same rate as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

Any option granted under a policy issued under this Table is only to apply so as to permit variation of the policy or issue of a policy in substitution in such a way that the policy as varied, or the substituted policy, will be a qualifying policy under the rules in schedule 15 of Income and Corporation Taxes Act 1988.

8. GENERAL

8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.

8.2 In the case of the death of a member or maturity or surrender of a policy, the asset price shall be the unit price ruling on the next allocation date following receipt by the Society of the last document required to support the claim or election to surrender.

8.3 Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

8.4 The policy is a taxable policy for the purposes of corporation tax. Accordingly, after deducting allowable expenses, the income and gains within the investment sub-fund in which the policy is invested are liable to corporation tax. As a qualifying policy the proceeds will be subject to no further capital gains or income tax.

However, if the policy is surrendered within the first ten years this may create a liability to income tax at the member's marginal rate of tax. Policyholders may also lose part or all of any age allowance to which they are entitled. An income tax liability may also occur upon encashment including death if a policy is made paid-up within the first ten years.

Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members effecting a policy issued under this Table.

The tax benefits and terms described above may be subject to legislative change.

TABLE XXVII
SINGLE PREMIUM INVESTMENT BOND
(POIS Money Bond)

(Single premium linked taxable endowment investment bond issued after 1st April 2002)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor a policy of endowment assurance to assure the payment of a sum on the survival of the member to the maturity date or his earlier death. The benefits may be written on a single life basis only. On the death of a member, the Society will pay to the member's estate, or nominated payee, 101% of the premiums paid or bid value of the underlying units as at the valuation date, whichever is the greater, after receipt of notification of death.

The minimum age at entry is 16 years attained, the maximum age at entry is 80 years attained. The maturity date for the plan shall be the anniversary of inception immediately preceding the date upon which the member attains the age of 85.

2. PREMIUMS

A member may pay a single premium of £1,000 minimum/£100,000 maximum, which may be held equally across ten policies under the Money Bond plan. Additional investments may be made into additional Single Premium Investment Bonds subject to a minimum of £1,000. The minimum investment may be varied at the discretion of the Committee of Management. A plan made up of ten equal separate policies may be issued in respect of the single premium invested.

3. ALLOCATION OF PREMIUMS

An initial charge at an amount to be set at the discretion of the committee of management on advice of the Appointed Actuary shall be deducted from premiums.

All premiums after deduction of an initial charge will be invested in a separate notional fund within the Society's ordinary benefit fund for the sole purpose of quantifying amounts to be defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest in the assets invested in the fund.

A Fund Management Charge shall be made monthly by deduction of a charge equal to 1.75% of the fund value per annum. The fund management charge may be increased at the discretion of the Committee of Management acting on the advice of the Appointed Actuary subject to provision of 3 month's written notice by the Society to investors.

4. UNITS ALLOCATED TO POLICIES

The Committee will arrange for the fund(s) to be valued at least once each month, generally on the last working day of each month, or more frequently at the discretion of the Committee (the "valuation date") and following the valuation will circulate the "Price" of units.

The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the asset price").

Units will be purchased at the price prevailing at the end of the calendar month in which payment of the premium has been received.

There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's

premium paid, in respect of each policy to the investment sub-fund, by the price ruling at the date that the relevant premium is allocated.

Any fractional amount of units created under the provision of this clause 4 shall be rounded to the nearest one hundredth part of a unit.

5. SURRENDER

A full surrender of each policy in the plan is possible at any time for cash, after 14 days from the time the policyholder receives the plan documents following issue.

In the case of a surrender effected between 14 days and five years from inception the policy value will be paid for each of the policies in the plan which are surrendered. After five years from inception:

- a) the greater of policy value or premiums paid will be paid in respect of those policies issued up to and including 31st December 2006; or
- b) the policy value will be paid in respect of those policies issued on or after 1st January 2007.

The surrender value will be the bid value of the underlying units cancelled as at the next valuation date following receipt by the Society of the member's surrender request, subject to paragraph 6 below.

In the event that after surrender of a policy the value of the remaining policies in the plan is less than £500 all the remaining policies in the plan must be encashed at that time.

6. GENERAL

In the case of the death of a member, or surrender of a policy, the appropriate price shall be the bid price ruling on the next valuation date following receipt by the Society of the last document required to support the claim or election to surrender.

Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representative (as the case may be) shall indemnify the society against all claims, demands and expenses incurred by it in connection with, or in receipt of, any payment being made in reliance upon any such receipt.

The plan is a taxable investment, after deducting allowable expenses, the income and gains within the fund are subject to corporation tax. There is no capital gains tax liability on the proceeds of the policy regardless of the policyholder's tax status. If the policyholder pays income tax at the starting or basic rate, there will be no further income tax liability. If the policyholder is a higher rate taxpayer there will be a liability to pay income tax on the difference between basic rate and higher rate tax on the growth of the policy. Non-taxpayers are not entitled to a refund of income tax under any circumstances.

Further terms applicable to this Table are set out in the policy documents issued, or to be issued, to members effecting a policy issued under this Table.

The tax benefits and terms described above may be subject to legislative change.

Amendments approved by the Committee of Management 6th December 2006

K. F. Meeres
Secretary

Table XXVIII

TAX EXEMPT LIFE ASSURANCE BONDS ISSUED AFTER 1st FEBRUARY 2003

(a unit linked endowment assurance policy with the payment of premiums limited to a minimum of between ten and to a maximum of twenty-five years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor, or who shall have an application made on their behalf, a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. The benefits may be written on a single life basis only. Each eligible member will have a minimum sum assured equal to 75% of the premiums payable over the initial premium payment term of the policy subject to clause 5 below. This sum disregards any bonus or addition, which may be declared, or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the minimum sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years, the minimum sum assured under the policy may, for each year by which that member's age exceeds fifty-five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains an age not exceeding 85 and being an age not less than 10 years after the beginning of the term of the policy. The maximum age at entry is 74 years attained.

2. PREMIUMS

2.1 Premiums under the policy are payable relative to single tax years only and either annually, monthly or at any other time as agreed by the Committee, at any time during the payment period. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by direct debit authority or as otherwise permitted from time to time by the Committee.

2.2 The minimum rate for premiums shall be £100 annually or £10.00 monthly. The minimum rate for premiums for top up policies shall be £60 annually or £5 monthly. Premiums are payable above these levels in whole pound amounts up to the statutory maximum allowed for a tax exempt friendly society policy.

Where, as a result of legislative change, the statutory maximum premium is amended the sum assured is adjusted pro rata.

2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall effect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.

- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified date, being a date not less than ten years nor more than twenty five after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 For policies issued up to and including 30th September 2007, there shall be an Initial charge in accordance with Table A below or such other charge as the Committee acting on the advice of the Appointed Actuary shall determine.

For policies issued on and after 1st October 2007, there shall be an initial charge in accordance with Table B below or such other charge as the Committee acting on the advice of the Appointed Actuary shall determine.

The initial charge will be deducted from premiums and will form a prior claim on the premiums payable. Any amount deducted in accordance with this paragraph will be transferred together with the amounts referred to in paragraphs 4.6 and 4.7 of this Benefit Table to the Management Fund.

Table A:

Policy Status	Premium Levels	Initial Charge
New policy	£10 – £14 monthly premium	£110
New policy	£100 - £165 annual premium	£110
New policy	£15 - £25 month premium	£150
New policy	£170 - £270 annual premium	£150
Top up	All monthly premiums £14 and below	£25
Top up	All annual premiums £165 and below	£25
Top up	All monthly premiums £15 and above	£60
Top up	All annual premiums £170 and above	£60

Table B:

Premium Levels	Initial Charge
All monthly premiums £14 and below	£25
All annual premiums £161 and below	£25
All monthly premiums £15 and above	£60
All annual premiums £162 and above	£60

- 3.2 Save as provided in this Table, 100% of all premiums paid to the Society in respect of policies written under this Table shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of member's units in accordance with clause 4 below.
- 3.3 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3 above or, at

the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.

- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the unit price").
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the unit price ruling at the most recent allocation date.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the unit price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to
- a) thirteen eightieths (13/80ths) of one per cent of the value of the net assets of the investment sub-fund at such date in respect of all policies where the premium level is £10 - £14 per month (or annual equivalent) and;
 - b) an amount of one eighth (1/8th) of one per cent of the net assets of the investment sub-fund at such date in respect of all policies where the premium level is £15 per month or greater (or annual equivalent) and all policies, irrespective of premium level following the tenth anniversary of such policies.

These percentages may be varied by the Committee acting on the advice of the Appointed Actuary. Any increase in such percentage shall not take effect until the expiry of three months from such date as the Society shall have sent notifications thereof to affected members.

- 4.7 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.8 The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Appointed Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned. The Society may collect all charges applicable up to and including the date of death.
- 5. SUM PAYABLE ON MATURITY OR EARLIER DEATH**
- 5.1 The policy shall mature on the 85th anniversary of the date of birth of the member.

- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, at the discretion of the committee based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the unit price; or
 - b) in the case of earlier death only, if greater, the minimum sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the unit price. No sum assured will be payable in respect of members under the age of 10 years at death. In such circumstances payment shall be the greater of the value of the policy determined as set out in 5.2 (a) above, or a refund of the premiums paid.

6. CESSATION OF PREMIUMS

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 6.2 Where premiums cease in the circumstances described in clause 6.1 (a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of at least ten years' premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy.
- 6.3 Where premiums cease in the circumstances described in clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy. The Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole after one years premium has been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first ten years, the policy has to be surrendered in whole and the cash amount to be paid to the member will be subject to an administration charge of £50 or other such amounts as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's administration office at the address stated on the form. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.

6.6 Members can commute their policy premiums by paying a lump sum in respect of the remaining premiums, but only in the following circumstances:

- the lump sum derives from the maturity proceeds of an existing Family tax exempt (friendly society) policy; or
- the policy has been in force for 10 years or half its original policy term to maturity, whichever is the lesser; or
- the member ceases to be resident in the UK, or provides adequate evidence of their intention to emigrate (the amount of premiums shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom).

Unit allocations will be made according to the date of receipt of the full commuted premium amount in all cases.

7. EXTENSION FACILITY

On the expiry of the premium payment term of the policy (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such anniversary notice of extension of the premium payment term shall have been given in writing to the Society at its administration office on a form provided by the Society for that purpose.

Such extension of the premium payment term shall be for a further period of ten years only.

Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

Any further premiums payable pursuant to the exercise of this extension facility, shall be at the same rate as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

Any option granted under a policy issued under this Table is only to apply so as to permit variation of the policy or issue of a policy in substitution in such a way that the policy as varied, or the substituted policy, will be a qualifying policy under the rules in Schedule 15 of Income and Corporation Taxes Act 1988.

8. GENERAL

8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.

8.2 In the case of the death of a member, the unit price shall be the price ruling on the first working day after the date of notification. Any growth between the date of notification and the date of settlement will be treated as interest for tax purposes. The date of settlement being the next working day following receipt of the last document required to support the claim.

In the case of maturity or surrender of a policy the unit price shall be the price ruling on, or the most recent allocation date prior to receipt by the Society of the last document required to support the election to surrender.

- 8.3 Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.
- 8.4 In the case of a policy where at outset the member was a minor the Society, at the discretion of the Committee of Management may decline any request to surrender the policy prior to the end of the premium payment term or preferred encashment age unless such surrender request is made with the written agreement of the payer of the policy premiums.
- 8.5 The policy is a tax-exempt policy, and as such the investment sub-fund in which it invests is free of UK taxes on both income and capital gains. As a qualifying policy the proceeds on death, maturity or encashment after ten years will be subject to no further capital gains or income tax. On maturity benefits are payable free of income tax and capital gains tax.

However, if the policy is surrendered within the first 10 years this may create a liability to income tax at the member's marginal rate of tax. Policyholders may also lose part or all of any age allowance to which they are entitled. An income tax liability may also occur upon encashment including death if a policy is made paid-up within the first ten years.

The tax benefits and terms described above may be subject to legislative change.

Initially approved by the Committee of Management 25th February 2004

Amendment approved by the Committee of Management 17th July 2007 with effect from 1st October 2007

Amendment approved by the Committee of Management 11th December 2012

.....
K. F. Meeres

Table XXVIII A

16th February 2004

TAX EXEMPT LIFE ASSURANCE BONDS PRODUCT CODED J28A

(a unit linked endowment assurance policy with the payment of premiums limited to a minimum of between ten and to a maximum of twenty-five years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor, or who shall have an application made on their behalf, a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. The benefits may be written on a single life basis only. Each eligible member will have a minimum sum assured equal to 75% of the premiums payable over the initial premium payment term of the policy subject to clause 5 below. This sum disregards any bonus or addition, which may be declared, or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the minimum sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years, the minimum sum assured under the policy may, for each year by which that member's age exceeds fifty-five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains an age not exceeding 85 and being an age not less than 10 years after the beginning of the term of the policy. The maximum age at entry is 74 years attained.

2. PREMIUMS

2.1 Premiums under the policy are payable relative to single tax years only and either annually, monthly or at any other time as agreed by the Committee, at any time during the payment period. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by direct debit authority or as otherwise permitted from time to time by the Committee.

2.2 The minimum rate for premiums shall be £100 annually or £10.00 monthly. The minimum rate for premiums for top up policies shall be £60 annually or £5 monthly. Premiums are payable above these levels in whole pound amounts up to the statutory maximum allowed for a tax exempt friendly society policy.

Where, as a result of legislative change, the statutory maximum premium is amended the sum assured is adjusted pro rata.

2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall effect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.

2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such

policy and ending on the member attaining the specified date, being a date not less than ten years nor more than twenty five after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 For policies issued up to and including 30th September 2007, there shall be an initial charge in accordance with Table A below or such other charge as the Committee acting on the advice of the Appointed Actuary shall determine.

For policies issued on and after 1st October 2007, there shall be an initial charge in accordance with Table B below or such other charge as the Committee acting on the advice of the Appointed Actuary shall determine.

The initial charge will be deducted from premiums and will form a prior claim on the premiums payable. Any amount deducted in accordance with this paragraph will be transferred together with the amounts referred to in paragraphs 4.6 and 4.7 of this Benefit Table to the Management Fund.

Table A:

Policy Status	Premium Levels	Initial Charge
New policy	£10 – £14 monthly premium	£110
New policy	£100 - £165 annual premium	£110
New policy	£15 - £25 month premium	£150
New policy	£170 - £270 annual premium	£150
Top up	All monthly premiums £14 and below	£25
Top up	All annual premiums £165 and below	£25
Top up	All monthly premiums £15 and above	£60
Top up	All annual premiums £170 and above	£60

Table B:

Premium Levels	Initial Charge
All monthly premiums £14 and below	£25
All annual premiums £161 and below	£25
All monthly premiums £15 and above	£60
All annual premiums £162 and above	£60

- 3.2 Save as provided in this Table, 100% of all premiums paid to the Society in respect of policies written under this Table shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of member's units in accordance with clause 4 below.
- 3.3 The Committee shall in its absolute discretion be entitled to waive the transfer of the whole or any part of the amounts otherwise transferable to the Management Fund in respect of any policy issued on the terms of this Table.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.

- 4.2 Units may be allocated to a member either by reason of purchase of units out of the balance of premiums available in accordance with clause 3 above or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Appointed Actuary may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the unit price").
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing that part of a member's premium paid, in respect of each policy to the investment sub-fund, by the unit price ruling at the most recent allocation date.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the unit price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to:
- a) thirteen eightieths ($13/80$ ths) of one per cent of the value of the net assets of the investment sub-fund at such date in respect of all policies where the premium level is £10 - £14 per month (or annual equivalent) and;
 - b) an amount of one eighth ($1/8$ th) of one per cent of the net assets of the investment sub-fund at such date in respect of all policies where the premium level is £15 per month or greater (or annual equivalent) and all policies, irrespective of premium level following the tenth anniversary of such policies.
- These percentages may be varied by the Committee acting on the advice of the Appointed Actuary. Any increase in such percentage shall not take effect until the expiry of three months from such date as the Society shall have sent notifications thereof to affected members.
- 4.7 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.8 The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Appointed Actuary in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned. The Society may collect all charges applicable up to and including the date of death.

5. SUM PAYABLE ON MATURITY OR EARLIER DEATH

- 5.1 The policy shall mature on the 85th anniversary of the date of birth of the member.

- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, at the discretion of the committee based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the unit price; or
 - b) in the case of earlier death only, if greater, the minimum sum assured, save that in the case of a paid-up policy the amount payable will be based solely on the number of units allocated to the policy valued at the unit price.

6. CESSATION OF PREMIUMS

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non payment; or
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 6.2 Where premiums cease in the circumstances described in clause 6.1 (a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of at least ten years' premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy.
- 6.3 Where premiums cease in the circumstances described in clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy. The Committee acting on the advice of the Appointed Actuary may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole after one years premium has been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first ten years, the policy has to be surrendered in whole and the cash amount to be paid to the member will be subject to an administration charge of £50 or other such amounts as the Committee acting on the advice of the Appointed Actuary may determine.
- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's administration office at the address stated on the form. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.

6.6 Members can commute their policy premiums by paying a lump sum in respect of the remaining premiums, but only in the following circumstances:

- the lump sum derives from the maturity proceeds of an existing Family tax exempt (friendly society) policy; or
- the policy has been in force for 10 years or half its original policy term to maturity, whichever is the lesser; or
- the member ceases to be resident in the UK, or provides adequate evidence of their intention to emigrate (the amount of premiums shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom).

Unit allocations will be made according to the date of receipt of the full commuted premium amount in all cases.

7. EXTENSION FACILITY

On the expiry of the premium payment term of the policy (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such anniversary notice of extension of the premium payment term shall have been given in writing to the Society at its administration office on a form provided by the Society for that purpose.

Such extension of the premium payment term shall be for a further period of ten years only.

Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

Any further premiums payable pursuant to the exercise of this extension facility, shall be at the same rate as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

Any option granted under a policy issued under this Table is only to apply so as to permit variation of the policy or issue of a policy in substitution in such a way that the policy as varied, or the substituted policy, will be a qualifying policy under the rules in Schedule 15 of Income and Corporation Taxes Act 1988.

8. GENERAL

8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.

8.2 In the case of the death of a member, the unit price shall be the price ruling on the first working day after the date of notification. Any growth between the date of notification and the date of settlement will be treated as interest for tax purposes. The date of settlement being the next working day following receipt of the last document required to support the claim.

In the case of maturity or surrender of a policy the unit price shall be the price ruling on, or the most recent allocation date prior to receipt by the Society of the last document required to support the election to surrender.

- 8.3 Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.
- 8.4 In the case of a policy where at outset the member was a minor the Society, at the discretion of the Committee of Management may decline any request to surrender the policy prior to the end of the premium payment term or preferred encashment age unless such surrender request is made with the written agreement of the payer of the policy premiums.
- 8.5 The policy is a tax-exempt policy, and as such the investment sub-fund in which it invests is free of UK taxes on both income and capital gains. As a qualifying policy the proceeds on death, maturity or encashment after ten years will be subject to no further capital gains or income tax. On maturity benefits are payable free of income tax and capital gains tax.

However, if the policy is surrendered within the first 10 years this may create a liability to income tax at the member's marginal rate of tax. Policyholders may also lose part or all of any age allowance to which they are entitled. An income tax liability may also occur upon encashment including death if a policy is made paid-up within the first ten years.

The tax benefits and terms described above may be subject to legislative change.

Initially approved by the Committee of Management 25th February 2004

Amendment approved by the Committee of Management 17th July 2007 with effect from 1st October 2007

Amendment approved by the Committee of Management 11th December 2012

.....
K. F. Meeres

Note: This table was produced for the launch of a 'protected TESP' with Bristol & West in Q1 2004. Only a small number of applications were received and subsequently not processed/accepted due to low take-up. As at 1/07 no policies have been written under this Table.

TABLE XXIX

TAX EXEMPT CAPITAL PROTECTED LIFE ASSURANCE BONDS

(a capital protected, qualifying unit linked endowment assurance policy with premiums payable for an initial period of ten years from the outset)

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor, or who shall have an application made on their behalf, within any offer period a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. The benefits may be written on a single life basis only. Each eligible member will have a sum assured equal to 75% of the premiums payable over the initial premium payment term of the policy subject to clause 5 below. This is the minimum required to satisfy the rules for a qualifying policy. This sum disregards any bonus or addition, which may be declared, or which accrues by way of bonus or unit linking above the sum assured. The sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the sum assured under that policy such amount as the Committee may determine on the advice of the Appointed Actuary in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty five years, the sum assured under the policy may, for each year by which that member's age exceeds fifty-five years, be reduced by 2% of the total premiums payable.

An offer period will be a period specified by the Committee from time to time. There may be more than one offer period and the provisions in this Table should be read as applying separately to each offer period. The start date of a policy will be such date following the end of an offer period as the Committee may determine.

The maturity date shall be the date upon which the member attains age 85. The maximum age at entry is 65 years attained.

2. PREMIUMS

2.1 Premiums under the policy are payable monthly or at any other frequency as determined by the Committee. Premiums payable monthly shall be paid by direct debit authority only and shall be collected one month in advance. Other premiums may be paid by direct debit authority or as otherwise permitted from time to time by the Committee.

2.2 The rate for premiums shall be £25 monthly, or such other rate as may be permitted by the Committee from time to time. The first premium must be received within the relevant offer period.

2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall effect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Appointed Actuary.

- 2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for the period up to the tenth anniversary of the start date, subject to paragraph 6 below.

3. UNITS ALLOCATED TO POLICIES

- 3.1 Premiums paid to the Society in respect of policies written under this Table shall be paid into one or more investment sub-funds of the Life Assurance Fund as set out below and shall be applied in the purchase of member's units. The investment sub-funds will include a Protected Savings Fund. The Protected Savings Fund will invest in bank or building society accounts set up for this purpose. A separate Protected Savings Fund will be established for each offer period. Premiums paid during the first 10 years will be allocated units in the Protected Savings Fund established for the offer period in which the first premium is paid. At the end of 10 years, if the policy is not surrendered, all units in the Protected Savings Fund will be switched into one or more alternative investment sub-funds, and all future premiums will be allocated units in such alternative sub-fund(s) or such other fund as the Committee may deem appropriate from time to time.
- 3.2 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 3.3 Units may be allocated to a member either by reason or purchase of units or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.
- 3.4 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued. The bid price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date. The offer price shall be £1 in the Protected Savings Fund and shall be equal to the bid price in any alternative sub-fund selected after the initial ten-year period.
- 3.5 There shall be allocated to each policy issued to each member units in the relevant investment sub-fund. The number of units allocated will be calculated by dividing the premium due by the offer price of the fund.
- 3.6 Subject to providing the returns after 10 years set out in paragraph 7 below, any bank or building society selected by the Society for the Protected Savings Fund will be entitled to deduct an initial charge of £270 per policy, or such other amount as is agreed with the Society, from the investments within the Protected Savings Fund.

This will be reflected in the value of the Protected Savings Fund and in the bid value of units in the Protected Savings fund. From the charges deducted, such amounts as may from time to time be agreed between such bank or building society and the Society will be transferred to the Society's management fund to cover the Society's expenses including the distribution, establishment, administration and operational costs and the cost of life cover. The balance will be retained by such bank or building society. On the allocation of units in the Protected Savings Fund there shall be retained in the Protected Savings Fund the difference between the offer price of such units multiplied by the number of such units and the bid price of those units multiplied by the number of such units at that date.

- 3.7 On one allocation date in every month, prior to the calculation of the price of units in any alternative sub-fund selected after the initial ten year period, on such date, there shall be transferred from each such fund to the Management Fund an amount equal to one twelfth of one per cent of the value of the net assets of the alternative fund. This percentage may be varied by the Committee acting on the advice of the Appointed Actuary. Any

increase in such percentage shall not take effect until the expiry of three months from such date as the Society shall have sent notifications thereof to affected members.

4. SUM PAYABLE ON MATURITY OR EARLIER DEATH

- 4.1 If not previously terminated, the policy shall mature on the 85th anniversary of the date of birth of the member.
- 4.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, at the discretion of the Committee based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the bid price or;
 - b) in the case of earlier death only, if greater, the sum assured.

5. CESSATION OF PREMIUMS/EARLY SURRENDER

- 5.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has lapsed through such non-payment or;
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 5.2 Where premiums cease in the circumstances described in clause 5.1 (a) before payment of at least ten years' premiums the member's policy shall be automatically surrendered with such units as the Committee shall determine.
- 5.3 The member may, subject to the consent of the Committee, elect to surrender his policy in whole and receive a cash amount based on the appropriate number of units surrendered, valued at the bid price, less any premiums outstanding. In the event that a member elects to surrender his policy within the first ten years, the policy must be surrendered in whole and shall be subjected to such early surrender charges as may from time to time be determined by the Society acting on the advice of the Appointed Actuary to cover administrative costs of disentanglement and the relevant proportion of bank costs applicable to the funding arrangements supporting the Protected Savings Fund. At the tenth policy anniversary, the surrender value will be the number of units in the Protected Savings Fund multiplied by the bid value of the units, assuming all premiums are paid to date.
- 5.4 Every surrender shall be requested in a format prescribed by the Society from time to time. The surrender shall take effect on the day a request is received by the Society or upon such later date as may be therein specified.

6. EXTENSION FACILITY

- 6.1 On the expiry of the premium payment term of the policy (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such expiry notice of extension of the premium payment term shall have been given in writing to the Society at its administration office on a form provided by the Society for that purpose.
- 6.2 Such extension of the premium payment term shall be for a further period of ten years only. Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

- 6.3 Any further premiums payable pursuant to the exercise of this extension facility, shall be the same rate as premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.
- 6.4 Should the payment term be extended at the tenth anniversary of the start date, the bid value of units in the Protected Savings Fund at such 10th anniversary date will be used to purchase units in an alternative investment sub-fund deemed to be appropriate by the Committee for the purpose. The number of units purchased in such fund will be the bid value of the units in the Protected Savings Fund at the 10th anniversary date divided by the bid price of units in the alternative fund at the same date. No units will be allocated to the Protected Savings Fund after such 10th anniversary date. Further premiums payable will be allocated units in the alternative fund at the unit price ruling at the relevant allocation date.
- 6.5 Any option granted under a policy issued under this Table is only to apply so as to permit variation of the policy or issue of a policy in substitution in such a way that the policy is varied, or the substituted policy, will be a qualifying policy under the rules in Schedule 15 of Income and Corporation Taxes Act 1988.

7. PROTECTED SAVINGS FUND

The Protected Savings Fund will invest in accounts set up for the purpose with an appropriate bank or building society selected by the Society. Under the terms of such accounts, the value of all of the units in the Protected Savings Fund, relating to the same issue of policies at the tenth anniversary of the start date, will exceed the total amount invested therein by a percentage (the participation rate) of 50% of the average percentage growth of specified stock market indices over the initial period of ten years, subject to the restriction that such value will be equal to the total of the premiums paid in respect of policies still in force, should there be no growth in the specified indices. The average percentage growth in the stock-market indices will be calculated in the manner determined from time to time. In any event, as the growth is based on the increase on indices, such growth will not include the benefit of the dividend income which would otherwise accrue, were monies invested directly into stocks and shares.

8. GENERAL

- 8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Appointed Actuary.
- 8.2 In the case of the death of a member, the unit price shall be the price ruling on, or the most recent allocation date prior to the date of notification. Net interest will be payable between the date of notification and the date of settlement, the date of settlement being the next working day following receipt of the last document required to support the claim.
- In the case of maturity or surrender of a policy the unit price shall be the price ruling on, or the most recent allocation date prior to receipt by the Society of the last document required to support the election to surrender.
- 8.3 Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the authorisation either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

- 8.4 In the case of a policy where at outset the member was a minor the Society, at the discretion of the Committee, may decline any request to surrender the policy prior to the end of the premium payment term or preferred encashment age unless such surrender request is made with the written agreement of the payer of the policy premiums.
- 8.5 The policy is a tax-exempt policy, and as such the investment sub-fund in which it invests is free of UK taxes on both income and capital gains.

As a qualifying policy, proceeds payable on death, maturity, encashment or assignment are free of capital gains tax and income tax.

However, if the policy is surrendered within the first 10 years automatically or electively, this may create a liability to income tax at the member's marginal rate of tax. Policyholders may also lose part or all of any age allowance to which they are entitled.

The tax benefits and terms described above may be subject to legislative change. Any changes in legislation and tax practice could affect the benefits under this plan.

Table XXX

TAX EXEMPT LIFE ASSURANCE BONDS ISSUED FROM 3rd JUNE 2013

A unit linked endowment assurance policy with the payment of premiums limited to a minimum of between ten and to a maximum of twenty-five years from the outset.

1. BENEFITS

The Society shall issue to each of its members who shall apply therefor, or who shall have an application made on their behalf, a policy of endowment assurance to assure the payment of a gross sum on the survival of the member to the maturity date or on his earlier death. The benefits may be written on a single life basis only. Each eligible member will have a minimum sum assured equal to 75% of the premiums payable over the initial premium payment term of the policy subject to clause 5 below. This sum disregards any bonus or addition, which may be declared, or which accrues by way of bonus or unit linking above the initial sum assured. The minimum sum assured may itself be varied in accordance with any applicable change of law, provided that any such variation shall not by reason of this sentence operate to vary the sum assured under any contract already in issue at the time of such change of law.

On the issue of a policy, the Society may charge against the minimum sum assured under that policy such amount as the Committee may determine on the advice of the Actuarial Function Holder in respect of health or other exceptional mortality risk. In respect of a member whose age at the beginning of the term of the policy exceeds fifty-five years, the minimum sum assured under the policy may, for each year by which that member's age exceeds fifty-five years, be reduced by 2% of the total premiums payable. The Committee may also charge an additional premium in respect of health or other exceptional mortality risk and any such additional premium shall be transferred to such one of the sub-funds of the Life Assurance Fund as the Committee shall consider fit.

The maturity date shall be the date upon which the member attains an age not exceeding 85 and being an age not less than 10 years after the beginning of the term of the policy. The maximum age at entry is 74 years attained.

2. PREMIUMS

2.1 Premiums under the policy are payable relative to single tax years only and either annually, monthly or at any other time as agreed by the Committee, at any time during the payment period. Premiums payable monthly shall be paid by direct debit authority only. Other premiums may be paid by direct debit authority or as otherwise permitted from time to time by the Committee.

2.2 The minimum rate for premiums shall be £60 annually or £5 monthly.

Premiums are payable above these levels in whole pound amounts up to the statutory maximum allowed for a tax-exempt friendly society policy.

Where, as a result of legislative change, the statutory maximum premium is amended the sum assured is adjusted pro rata.

2.3 Premium rates and sums assured referred to above are subject to revision by the Committee consistently with the law from time to time, but no such revision shall affect the eligibility or entitlement of existing members whose policies were effected within the scope of this Table and each such revision shall be subject to the approval of the Actuarial Function Holder.

2.4 Premiums are payable to the Society in respect of each policy issued on the terms of this Table for a period beginning on the commencement date of such policy and ending on the member attaining the specified date, being a date not less than ten years nor more than twenty five after the commencement date.

3. ALLOCATION OF PREMIUMS

- 3.1 100% of all premiums paid to the Society in respect of policies written under this Table shall be paid into an investment sub-fund of the Life Assurance Fund and shall be applied in the purchase of member's units in accordance with clause 4 below.

4. UNITS ALLOCATED TO POLICIES

- 4.1 Each investment sub-fund, together with any sub-funds thereof, is a separately identifiable account maintained by the Society for the purpose of quantifying amounts defined by reference to units. Units are units of measurement only and in themselves confer no beneficial interest on any person in respect of any fund.
- 4.2 Units may be allocated to a member either by reason of purchase of units out of the premiums or, at the discretion of the Committee, by other bonus addition to the number of units already allocated to a policy, save that such bonus addition shall not by reason only of being made reduce the price of units.
- 4.3 At least once in each calendar month ("the allocation date") the Committee will arrange for each investment sub-fund to be valued on such basis as the Committee subject to the approval of the Actuarial Function Holder may from time to time determine. The price of the units shall be equal to the total value of the investment sub-fund at that date divided by the total number of units in issue in that sub-fund at that date ("the unit price").
- 4.4 There shall be allocated to each policy issued to each member units in the investment sub-fund. The number of units to be so allocated will be calculated by dividing the premium paid by the unit price ruling at the most recent allocation date.
- 4.5 Any fractional amount of units created under the provisions of this clause 4 shall be rounded to the nearest one hundredth part of a unit.
- 4.6 On one allocation date in every month prior to the calculation of the unit price of units on such date, there shall be transferred from the Life Assurance Fund to the Management Fund an amount equal to thirteen eightieths ($\frac{13}{80}$ ths) of one per cent of the value of the net assets of the investment sub-fund at such date.
- This percentage may be varied by the Committee acting on the advice of the Actuarial Function Holder. Any increase in such percentage shall not take effect until the expiry of three months from such date as the Society shall have sent notifications thereof to affected members.
- 4.7 On the allocation of units in the investment sub-fund there shall be transferred to the Management Fund the amount by which the price of such units multiplied by the number of such units exceeds the asset price of those units multiplied by the number of such units at that date.
- 4.8 The cost of providing life cover will be met by charging, on either an annual or monthly basis, an appropriate amount to each policy based on the advice of the Actuarial Function Holder in relation to the degree of risk on that policy, and such charges will be met by cancelling units or fractions of units credited to the policy concerned. The Society may collect all charges applicable up to and including the date of death.

5. **SUM PAYABLE ON MATURITY OR EARLIER DEATH**

- 5.1 The policy shall mature on the 85th anniversary of the date of birth of the member.
- 5.2 The sum payable on maturity of the policy or earlier death of the member shall be:
- a) an amount, at the discretion of the committee, based on the number of units allocated to the policy at the date of maturity or earlier death (as the case may be) valued at the unit price; or
 - b) in the case of earlier death only, if greater, the minimum sum assured, save that in the case of a paid-up policy, the amount payable will be based solely on the number of units allocated to the policy valued at the unit price.

6. **CESSATION OF PREMIUMS**

- 6.1 A period of grace of one calendar month will be allowed for the payment of all premiums except the first. Premiums shall be deemed to have ceased if:
- a) a premium is outstanding at the end of the period of grace and the policy has been made paid-up or has lapsed through such non-payment; or
 - b) the full amount of premiums due under the policy has been received; or
 - c) the member dies.
- 6.2 Where premiums cease in the circumstances described in clause 6.1 (a) after the policy has been in force for a minimum of one calendar year and after payment of at least one year's premiums but before payment of at least ten years' premiums the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy.
- 6.3 Where premiums cease in the circumstances described in clause 6.1(a) or (b) after payment of at least ten years' premiums, the member shall be entitled to a paid-up policy with such units as the Committee shall determine. No further units shall be allocated to the policy. The Committee acting on the advice of the Actuarial Function Holder may declare a bonus in addition to such units and in addition to the units purchased referred to in clause 4.2 above and such bonus (if any) shall be used to purchase additional units on such date as the Committee acting on the advice of the Actuarial Function Holder may determine.
- 6.4 In the circumstances arising in and in lieu of the benefits in 6.2 and 6.3, the member may, subject to the consent of the Committee, elect to surrender his policy in whole after one year's premiums have been paid and receive a cash amount based on the appropriate value of the units surrendered. In the event that a member elects to surrender his policy within the first ten years, the policy has to be surrendered in whole and the cash amount to be paid to the member will be subject to an administration charge of £50 or other such amounts as the Committee acting on the advice of the Actuarial Function Holder may determine.
- 6.5 Every surrender shall be in writing on a form provided by the Society for the purpose and shall be delivered to the Society's administration office at the address stated on the form. The surrender shall take effect on the day received by the Society or upon such later date as may be therein specified.

6.6 Members can commute their policy premiums by paying a lump sum in respect of the remaining premiums, but only in the following circumstances:

- the lump sum derives from the maturity proceeds of an existing Family tax exempt (friendly society) policy; or
- the policy has been in force for 10 years or half its original policy term to maturity, whichever is the lesser; or
- the member ceases to be resident in the UK, or provides adequate evidence of their intention to emigrate (the amount of premiums shall be remitted no sooner than one month before the member's intended date of leaving the United Kingdom).

Unit allocations will be made according to the date of receipt of the full commuted premium amount in all cases.

7. EXTENSION FACILITY

On the expiry of the premium payment term of the policy (and on each expiry of an extension of the premium payment term hereunder) premiums shall cease to be payable under the policy unless on or before such anniversary notice of extension of the premium payment term shall have been given to the Society. Such extension of the premium payment term shall be for a further period of ten years only.

Any premium payment term so extended may thereafter be extended for further successive periods by notice of extension similarly given to the Society subject always to the Society's prior consent.

Any further premiums payable pursuant to the exercise of this extension facility, shall be at the same rate as, and shall be treated on the same basis as, premiums payable under the policy immediately prior to the exercise of the option to extend the premium payment term of the policy.

Any option granted under a policy issued under this Table is only to apply so as to permit variation of the policy or issue of a policy in substitution in such a way that the policy as varied, or the substituted policy, will be a qualifying policy under the rules in Schedule 15 of Income and Corporation Taxes Act 1988.

8. GENERAL

8.1 If the date of birth of the member assured under any policy has been incorrectly stated to the Society, such policy will not be invalidated, but on becoming payable, the gross sum assured and any other amount payable on maturity, death, surrender or otherwise will be adjusted in accordance with the advice of the Actuarial Function Holder.

8.2 In the case of the death of a member, the unit price shall be the price ruling on the first working day after the date of notification. Any growth between the date of notification and the date of settlement will be treated as interest for tax purposes. The date of settlement being the next working day following receipt of the last document required to support the claim.

In the case of maturity or surrender of a policy, the unit price shall be the price ruling on, or the most recent allocation date prior to, receipt by the Society of the last document required to support the election to surrender.

8.3 Notwithstanding the beneficial interest of any payee in any policy issued by the Society, the Society shall be fully discharged from all liability under such policy by the written receipt either of the member to whom such policy is issued or of the personal representatives of such member, and such member or his personal representatives (as the case may be) shall indemnify the Society against all claims, demands and expenses incurred by it in connection with or in respect of any payment being made in reliance upon any such receipt.

- 8.4 The policy is a tax-exempt policy, and as such the investment sub-fund in which it invests is free of UK taxes on both income and capital gains. As a qualifying policy, the proceeds on death, maturity or encashment after ten years will be subject to no further capital gains or income tax. On maturity, benefits are payable free of income tax and capital gains tax.

However, if the policy is surrendered within the first 10 years, this may create a liability to income tax at the member's marginal rate of tax. Policyholders may also lose part or all of any age allowance to which they are entitled. An income tax liability may also occur upon encashment including death, if a policy is made paid-up within the first ten years.

The tax benefits and terms described above may be subject to legislative change.

Approved by the Committee of Management on 23rd May 2013

.....
K. F. Meeres