



## Income Protection Plus

# Income Protection Plus Policy Summary

### **Welcome to HMCA Care Limited Income Protection Plus**

Thank you for choosing HMCA Care Limited Income Protection Plus, a policy designed to pay you a regular benefit if you are incapacitated and unable to work due to an accident or illness.

HMCA Care Limited Income Protection Plus is underwritten and administered by PG Mutual and this document provides a summary of the Policy Document. If you would like a copy of the full Policy Document, please visit our website or contact us on 01727 228571.

Insured and  
Administered by



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## Section 1 – Preliminary Terms and Definitions

### Standard Definitions

In this Policy, unless otherwise stated or the context otherwise requires, any words in the singular shall include the plural and vice versa, words implying the male shall include the female, and reference to any Statute shall include any statutory modification or re-enactment.

**You, Your** means the person named upon the Policy Schedule issued with this Your Policy.

**We, Us, Our, The Society, PG Mutual** means Pharmaceutical & General Provident Society Ltd, trading as PG Mutual or such other name as the Society may adopt in future, acting through its Committee.

**Accident** means an event without apparent cause or an unexpected event or unintentional act causing physical harm.

**Claim** means a valid request by You to Us for Income Benefit.

**Claim Deferment Period** means the period of time agreed at the start of Your policy between You and Us from when Your Incapacity starts to when We start to pay Income Benefit to You, provided always that Your Claim is valid and as shown on Your Policy Schedule.

**Associate Member** will hold only Shares (since Units have no Profit Share element) and these Shares are at a reduced price as they have no Income Benefit attaching to them and shall be called 'Associate Shares'. You may elect to become an Associate Member if Your circumstances dictate that You no longer require, or You are no longer eligible for, Income Benefit (e.g. You have retired). On attaining the age of 65, You MUST either commute or Terminate Your Membership.

**Associate Membership** means Membership which only benefits from contributing to Your Profit Share Account.

**Earnings** means:

- (1) For self-employed occupations:
  - (a) Your share of Pre-Tax Profits in the last full tax year preceding Your Period of Incapacity; or
  - (b) If You were continuously Incapacitated for two months or more in the last full tax year prior to the commencement of Your Period of Incapacity, We shall use the weekly average of Your Pre-Tax Profits in the last three tax years preceding Your Period of Incapacity.
- (2) For employed occupations:
  - (a) Your Pre-Tax Earnings subject to PAYE in the last full tax year prior to Your Period of Incapacity; and
  - (b) Any benefits in kind You received in the last full tax year prior to Your Period of Incapacity, as stated in Your HMRC form P11D.

**Hazardous Activities** means, including but not limited to, off-piste skiing and snowboarding, sailing outside European waters, hunting on horseback, motor competitions, professional sport, racing (other than athletics), boxing, judo, karate, paragliding, polo, shooting/hunting, flying (unless You are a fare-paying passenger on a regular scheduled airline or licensed charter aircraft), gliding, hang-gliding, parachuting, diving, bungee-jumping, mountaineering, rock climbing, potholing or caving.

**Incapacity** means suffering a disease, illness or injury preventing You from working. 'Own Occupation' means you must be totally unable to perform the essential duties of your occupation. 'Any Suitable Occupation' means You must be totally unable to perform the essential duties of your occupation and the duties of such other occupations that Your skills, training and qualifications would make You suitable for.

**Incapacitated** means suffering from Incapacity.

**Income Benefit** means the Benefit We will pay to Members who are Incapacitated under the terms of this Your Policy.

**Profit Share Account** means a notional investment fund built up on Your behalf from the Surplus the Society makes each year based upon the number of Shares You hold. It is used to assist Us in calculating how much is due to You (if any) upon Termination of Your Membership. (See Section 6 – Division of Surplus)

## The Income Protection Plus Policy Summary

**Income Membership** means Membership which includes an element of Income Benefit cover.

**Long-Term Benefit** means the proportion of Benefit We will pay on long-term claims. Your option is shown on Your Policy Schedule and is either:

- **Premium Benefit** meaning that Income Benefit is payable at 100% for the whole of Your Period of Incapacity excluding any applicable Claim Deferment Period.
- **Standard Benefit** meaning that Income Benefit is paid at 100% of the agreed Benefit level for the first two years of any continuous Period of Incapacity excluding any Claim Deferment Period You opted for. If Your Incapacity continues for more than two years, the third year would be paid at 50% of Your original Income Benefit level, and then at 30% of the original Income Benefit level from the fourth year of Your Incapacity until the end of Your Period of Incapacity.

Please note you are able to change your option for Long-Term Benefit once you have been accepted into the Society. Subject to medical underwriting.

**Mental Health** means any mental disorder including but not limited to depression, mood disorder, stress, anxiety, or any behavioral disorder, psychotic or any functional somatic disorder including, but not limited to, chronic pain syndrome, chronic fatigue or myalgic encephalomyelitis.

**Membership** means Membership of Pharmaceutical & General Provident Society Ltd.

**Notification Period** means the period during which You must notify Us of Your intention to Claim for Income Benefit.

**Period of Incapacity** means the length of time from when Your Incapacity starts, until You recover, reach Your Retirement Date, become an Associate Member or Terminate or cease to be a Member of the Society for any reason (including death), whichever is the earliest.

**Policy Schedule** means the document We issue to You showing the number of Shares and Units for which You are Subscribing, the level of Income Benefit (if any) to which this entitles You and the options applying to this.

**Pre-Tax Earnings** shall be as currently stated on HMRC form P60 in respect of earnings in the UK or its equivalent and agreed by the tax authorities for earnings outside the UK.

**Pre-Tax Profits** means pre-tax trading income as stated under Part 2 of the Income Tax (Trading and Other Income) Act 2005 and agreed by HMRC.

**Retirement Date** means Your 65th birthday unless We specify otherwise, and this is shown on Your Policy Schedule. From this date, You will no longer be eligible for Income Benefit although You will have the option to take up Associate Membership.

**Share** means an element of Income Benefit worth £0.60p per week plus an Profit Share element which is an entitlement to a share in any Surplus the Society makes which gets credited to Your Profit Share Account.

**Subscriptions** means the amount that We charge You for Membership of the Society. This is the amount We charge for Your total Shares and Units and therefore includes the cost of Income Benefit insurance unless You are an Associate Member.

**Termination** means the Termination of Your Membership and 'Terminate' and 'Terminated' have corresponding meanings.

**Unit** means an element of Income Benefit worth £0.60p per week which has no Profit Share element attached to it.

## Your Policy

Your Policy shall include the definitions, Policy Terms and Policy Schedules and any endorsements made to Your Policy and shall form the terms of Your contract of insurance. Our Rules form the terms of Your contract of Membership of the Society.

The provisions of Your Policy shall be subject to any provisions of Our Rules (but excluding, except where specifically mentioned, the Schedules) in force from time to time, in relation to the admission and removal of Members, the rights of Members in relation to meetings of the Society and access to information and the powers of our Board of Directors in relation to the funds of the Society.

## The Income Protection Plus Policy Summary

In the event of any discrepancy between the provisions of Our Rules and Your Policy, those of Our Rules (but excluding, except where specifically mentioned, the Schedules) shall apply.

Your entitlement to the benefits under Your Policy shall be subject to the Policy Terms Conditions and Exceptions.

You may not assign, mortgage, charge or otherwise dispose of Your interest in Your Profit Share Account.

Please remember that the values assigned to Your Profit Share Account are only to enable Us to evaluate what is payable to You upon Termination of Your Membership. Until You Terminate Your Membership, they have no value.

### False Declarations and Disclosure

- (1) In all correspondence and communications between You and Us, You shall provide information requested by Us in good faith, taking care not to:
  - (a) Provide false, fraudulent or misleading information; and/or
  - (b) Fail to disclose to Us a fact or facts material to the purpose for which We made the request for information.
- (2) If We determine that You made a false, fraudulent or misleading declaration to Us, or failed to disclose a material fact or facts to Us, You shall be liable to expulsion from the Society.
- (3) If You made a false, misleading or incomplete declaration knowing it to be false, misleading or incomplete, or deliberately failed to disclose a material fact or facts to Us, We may at Our discretion order that You forfeit all or any part of any Claim You may have upon the funds of the Society and deduct, if appropriate, such amount from Your Profit Share Account.

### Changes to Your Policy

We may from time to time make reasonable alterations to the terms of Your Policy if it becomes necessary to do so to comply with legislation or to continue to provide the benefits. This is subject to the condition that no such alteration shall affect any right or entitlement You have under Your Policy where the right or entitlement has arisen by reference to an event prior to the effective date of such alteration. We will give You 60 days' notice of any such alteration.

### Applicable Law and Language

Unless agreed otherwise in writing, Your Policy and all arrangements between You and Us, shall be governed by and construed in accordance with the laws of England and Wales for the time being in force and shall be subject to the exclusive jurisdiction of the English courts.

All communications in connection with Your Policy will be in English.

## Section 2 – Options for Membership

### Claim Deferment Periods

Your Claim Deferment Period is stated on Your Policy Schedule.

### Long-Term Benefit Payment Level

Your Long-Term Benefit Level Option is shown on Your Policy Schedule.

### Special Conditions

If You had a specific disability or disease We may have accepted You as a Member on such conditions and terms as We decided. If so, this will be displayed on Your Policy Schedule. We may have varied Our Rates or the amount of Income Benefit You applied for, or both. If so, this is shown on Your Policy Schedule.

### Definition of Incapacity

If this is not 'Own Occupation' it will be shown on your Policy Schedule.

## Section 3 – Income Membership

### Subscriptions Payable

The Subscriptions We charge You are calculated in accordance with Your age and the options You agreed with Us (Share / Unit ratio, Claim Deferment Period and Long-Term Benefit Level), any surcharges We applied as a result of Us acquiring information relevant to Your application, and the amount of Income Benefit per week that You subscribed for (the 'Subscription Price Drivers').

Your Subscriptions may change from year to year as Your age increases.

We have a Table of Rates (the 'Rate Table') which reflects the Subscription Price Drivers in order to calculate the Subscriptions We will charge You from year to year.

The Rate Tables take into account Our assumptions in regard to the expected number and timing of future claims. Every year, with Our Reviewing Actuary, We review these assumptions.

We will only change Our Rate Table if, on the advice of Our Reviewing Actuary, Our Rates materially fail to reflect the latest assumptions of future number and timing of claims resulting from, amongst other things, the latest claims activity We have experienced.

Upon written request, We will send to You the Rate Table applicable to Your Policy.

### Commencement of Membership

Your Membership commenced from the date We accepted You into the Society as stated in Your Policy Schedule.

You must inform Us of any change in Your circumstances from those mentioned in Your Application Form, which occurred before Your Membership commenced. Failure to make such a disclosure knowing that it should have been disclosed shall be considered an omission to disclose a material fact or facts.

### Income Benefit

- (1) The amount of Income Benefit for which You are entitled is based on the number of Shares and Units You hold as shown on Your Policy Schedule.
- (2) Each Share and each Unit You hold provides £0.60 of Income Benefit per week.
- (3) If Income Benefit is not due in respect of one whole week (beginning on a Monday and ending on a Sunday), a proportion of one sixth of the weekly benefit shall be paid for each day during that week the Income Benefit is due. At the Boards discretion a proportion of the weekly benefit can be divided by the number of days in the week the Member would normally work.
- (4) Where:
  - (a) The amount of Income Benefit that Your holding of Shares and Units provides would exceed 70% of Your Earnings upon Your making a claim for Income Benefit; and/or
  - (b) You receive any earnings from Your normal occupation or have any other sources of income from employment, self-employment or other sickness or accident insurances whilst making a claim for Income Benefit, the amount of Income Benefit You are entitled to receive shall be proportionately reduced to such an amount that the total of Your Income Benefit, earnings from Your normal occupation and any other sources of income from employment, self-employment or other sickness or accident insurances shall not exceed 70% of Your loss of earnings due to Incapacity.
- (5) In the event that Your Income Benefit is reduced, there shall be no refund of Subscriptions paid prior to the commencement of Your claim for Income Benefit. However, We may vary Your holding of Shares or Units, or both, to such a holding that would provide the maximum amount of Income Benefit to which You are entitled and consequently amend the amount of future Subscriptions payable from that date.
- (6) We have the right to request such information about Your earnings or sources of income as We may consider necessary during Your Membership in order to assess the maximum We can pay to You in Income Benefit. You must give such consent as We may require when seeking such information about Your income.

### Changes of Address or Country of Residence, or Both

You must advise Us in writing of any change of address.

If You take up residence outside the United Kingdom, We may, at Our discretion, deem You to have resigned from the Society in which case, We will Terminate Your Membership.

### Changes in Earnings, Employment or Occupation

You must inform Us of any reduction in Your earnings. We may then reduce the maximum benefits You can receive and adjust Your Subscriptions accordingly.

You must advise Us of any change in Your occupation (or any of Your occupations) whether it affects Your earnings or not. As a result of such change in occupation, We may then at Our discretion adjust Your Subscriptions or Terminate Your Membership. You have the option to commute (see Section 8), which We may allow (and reduce Your Subscriptions accordingly) at Our discretion.



## Applications for an Adjustment of Your Income Benefit Level

If You wish to reduce Your Income Benefit level, You may do so at any time by applying in writing to Us.

If You wish to increase Your Income Benefit level or Associate Share holding, this increase will be treated in the same manner as a new application for Membership and will be subject to the same terms, conditions and exclusions including but not limited to the same medical requirements and financial constraints.

## Section 4 – Payment of Subscriptions

### Method of Payment

We will advise You of the dates upon which Your Subscriptions become due. You must pay all Subscriptions by such due dates. Payments must be made by Direct Debit.

### Subscription Arrears

If You are more than 14 days in arrears with Your Subscriptions You will not be eligible for Income Benefit. From the date You make good such arrears, a further period of 28 days must elapse before any Period of Incapacity (including any Claim Deferment Period) may commence.

If You are more than four months in arrears with Your Subscriptions We may expel You from the Society. If You are unable to pay Your Subscriptions due to distressed circumstances, You can apply to Us and We may grant an extension at Our discretion.

If You are expelled from the Society, You will be subject to the forfeiture described under Early Termination (Article 34) and any outstanding Subscriptions due will be deducted from any remaining monies in Your Profit Share Account.

## Section 5 – Claims for Income Benefit

### Notification of Intention to Claim Income Benefit

**The Notification Period.** If You intend to make a Claim for Income Benefit from the Society, You must notify Us, and complete and submit an on-line claim form with supporting evidence within 28 days from the first day the claim would become eligible to receive claim payments.

### Making a Claim - Claims Procedure

If We do not receive Your properly completed Claim Form and supporting evidence within 28 days from the date your claim became eligible, You will be liable to forfeit any entitlement to Income Benefit to the equivalent of each day You were late.

We have the right to request such medical examinations and information at such intervals as We may reasonably require to assess the validity of Your Claim. We also have the right to require You to give such consent as may be necessary for Us to obtain any information We have requested. Failure to give such consent will invalidate Your Claim.

We may withhold payment of any Claim until We have received in satisfactory form any information We have requested and have had a reasonable period of time in which to assess the information and, where appropriate, make a decision.

### What Constitutes Incapacity

- (1) You may only receive Income Benefit from Us under Your Policy if You are Incapacitated in accordance with the rules.
- (2) Unless otherwise stated on Your Policy Schedule, if You were normally and regularly engaged for profit or reward in an occupation or occupations immediately prior to the Accident or commencement of the Disease, Illness or Injury giving rise to Your Claim, 'Incapacity' shall mean:
  - (a) Your total inability to perform all the material and substantial duties of the occupation or occupations You were engaged in immediately prior to the Accident or Injury or the commencement of the Disease or Illness giving rise to Your Claim; and
  - (b) You are not engaged in any other occupation or occupations for profit or reward.

### Policy Exclusions

- (1) In addition to any special conditions that may apply to Your Membership, You shall not be entitled to Income Benefit for any Incapacity arising from, or as a consequence of, the following:
  - Intentional self-injury;
  - Surgical procedures carried out solely for cosmetic purposes;
  - The misuse of alcohol or drugs (other than drugs taken as directed or administered by a registered medical or dental practitioner);
  - Any disorderly conduct, or criminal act or omission;
  - Wilful participation in riot or civil commotion;
  - By accidents arising from or during participation in any Hazardous Activity other than those declared to and accepted on risk by the Society;
  - War, invasion of or act of a foreign enemy or any enemy foreign to the country in which the incapacity was caused or civil war (in each case whether war is declared or not); or
  - The direct or indirect effects of radiation or radioactive contamination;

**You will not be entitled to receive Income Benefit for at least the first 28 days of any incapacity caused by a Mental Health condition. If a Claim Deferment Period greater than 28 days applies to Your Policy, the minimum waiting period before a claim for Income Benefit caused by a Mental Health condition can be eligible will be the Claim Deferment Period.**

- (2) A 28 day deferral period shall apply for any mental health claim defined as follows: any mental disorder including but not limited to depression, mood disorder, stress, anxiety, or any behavioural or psychotic disorder or any functional somatic disorder including but not limited to chronic pain syndromes, irritable bowel syndrome, chronic fatigue or myalgic encephalomyelitis'.

### The Responsibilities of a Member While Claiming

- (1) Except where (3) below applies, if You undertake any work for profit or reward whilst claiming Income Benefit, We have the right to require the repayment of all, or part of, the Income Benefit You have received.
- (2) If You have received any Benefit to which You are not entitled under the terms of Your Policy, We have the right to ask You to repay such sums and if You fail to pay within 28 days of the request being made to You, We have the right to deduct such sums from Your Profit Share Account.

- (3) If You are only partially Incapacitated, You may at Our discretion be allowed to follow any employment or occupation, or training to assist in procuring a livelihood, whilst continuing to receive such proportion of the Income Benefit You are entitled to receive under the terms of Your Policy as We may specify and on such conditions as We deem appropriate.
- (4) In respect to (1) preceding, if You fail to pay within 28 days of the request being made to You, We shall have the right to deduct the total sum You have been required to refund to Us from Your Profit Share Account.
- (5) Whilst claiming Income Benefit from the Society, or during any applicable Claim Deferral Period, You shall:
  - (a) Refrain from any behaviour which may delay Your recovery; and
  - (b) Comply with the advice or counsel of any qualified medical adviser entrusted with Your care and not unreasonably refuse to undergo any treatment or surgery recommended by any such medical adviser.

### Continuation of a Previous Claim

If You have received Income Benefit for less than six months and have a recurrence of Incapacity from the same cause within the next three months, We shall consider this to be a continuation of the same Incapacity ('Continuation Claim').

If You receive Income Benefit for longer than six months and suffer a recurrence of Incapacity from the same cause within the next nine months, We will consider this to be a Continuation Claim.

In such circumstances, any Claim Deferral Period which You selected will not apply to the Continuation Claim. However, if You selected the Standard Benefits option please note that the first Claim (not the intervening period where You were not Incapacitated, or Claiming Income Benefit) will be taken into account for the purposes of determining the date from which Your Benefits would be reduced.

## Section 6 – Division of Surplus

### Calculation and Annual Bonus of Surplus to Members

The calculation and division of Surplus applies to the whole Income Membership and Associate Membership of the Society. It will be carried out in accordance with the Rules of the Society then in force. Below is a brief description of the process.

- (1) As at 31st December each year ('the Calculation Date') We will calculate the total of Subscriptions and the yield on investments for that year and subtract from this, all benefit payments, Our expenses and any sum which Our Reviewing Actuary deems prudent to transfer to Our reserve fund for future liabilities ('the Surplus').
- (2) If the Surplus is a positive figure, We then determine a rate of interest ('Interest') which will then be added to the value, at the start of the year, of Your Profit Share Account provided that You are still a Member at the Calculation Date. This Interest will be reduced on a pro rata basis to account for any Withdrawals or reduction in Shares made during the year ending at the Calculation Date.
- (3) After considering the Surplus less the Interest allocated to all qualifying Members' Profit Share Accounts, We agree an Annual Bonus for that year with Our Reviewing Actuary for both Income Members (Members who qualify for Income Benefit cover) and Associate Members ('the Annual Bonus').
- (4) We notionally attribute to Your Profit Share Account an amount equal to the Annual Bonus which applies to You multiplied by the number of Shares You held for the full year in question (Your 'Dividend').

## Members Paying Less than a Full Year's Premium

If You held any Shares for less than the full year in question, We will allocate Your Annual Bonus for such Shares on a pro rata basis for each full calendar month for which You held these Shares and add this to Your Profit Share Account.

Important: The Annual Bonus and Interest are only provisional and are used as the basis to enable Us to calculate what is due to You from Your Profit Share Account when You cease to be a Member of the Society.

## Section 7 – Partial Withdrawals from Your Profit Share Account

### Grounds for Partial Withdrawal of Funds from the Profit Share Account

You may apply to Us to withdraw from Your Profit Share Account an amount up to a maximum of £500 ('Withdrawal') in the following circumstances:

**Medical Treatment:** To meet exceptional expenditure You incur as a result of an operation or special treatment to You, Your spouse or Your dependent child. You will need to supply to Us satisfactory medical evidence for this.

**Death of Spouse or Relative:** To meet the funeral or other costs arising from the death of Your spouse, child, adopted child, stepchild, father, mother, brother, sister, nephew, niece or orphan ward. You will need to provide a death certificate (and marriage certificate or evidence of adoption when applicable).

**Necessitous Circumstances:** If You find Yourself in financial necessitous circumstances but Our view of what constitutes necessitous circumstances shall be final.

Provided always that You cannot Withdraw an amount which will reduce Your Profit Share Account to less than the sum of the last two years' Dividends and You cannot make a Withdrawal within 12 months of a previous Withdrawal.

Your Profit Share Account will be immediately reduced by the amount of any such Withdrawal.

## Section 8 – Associate Membership

### Schedule 2 – Associate Membership

- (1) While You are an Associate Member You do not pay for, nor are You entitled to claim, Income Benefit but You maintain Your Profit Share Account (the Profit Share element of Your Shares) with the potential for further growth.
- (2) You can apply to Us for Associate Membership should You experience a change of circumstances whereby You no longer require Income Benefit (e.g. early retirement) but You wish to continue to maintain Your Profit Share Account.
- (3) Since You cannot receive Income Benefit after the Retirement Date as shown on Your Policy Schedule, You must then either commute or Terminate.
- (4) Associate Shares will be at a different rate to normal Shares, which will be advised to You, to account for the fact that no Income Benefit is attributable to them.

If You become an Associate Member, any Units You held will be immediately terminated (since there will be no Income Benefit) and You will not be able to increase Your holding of Associate Shares beyond the number of Shares You held as an Income Member at the time You became an Associate Member.

### Applying for Associate Membership

You can elect for Associate Membership as an alternative to Terminating Your Membership if You wish to maintain the benefits of Your Profit Share Account.

You must apply to Us in writing if You wish to elect for Associate Membership.

## Section 9 – Nominations

### The Nominee

You may nominate a person or persons to whom the money (or any part of the money You specify – see below) payable by Us on Your death, shall be paid ('the Nominee').

You may specify the amount of money payable to the Nominee, subject to this amount not exceeding the balance of Your Profit Share Account as of the date of Your death, including such bonuses and interest which are due following Termination.

For a nomination to be valid, all such nominations shall be made in writing to Us, stating the full name and contact address of the proposed Nominees and signed by You.

We shall keep a record of any nomination and any variation or revocation made to such a nomination.

### Persons Prohibited from Being a Nominee

You cannot nominate an officer or employee of the Society unless he/she is Your husband, wife, father, mother, child, brother, sister, nephew or niece. You cannot nominate anyone who is less than 16 years of age.

### Subsequent Marriage of a Member

Should You subsequently get married after having appointed a Nominee, Your marriage will supersede the nomination and Your spouse will become the Nominee.

Where the Society has paid money to Your Nominee in ignorance of a marriage subsequent to the nomination, the receipt by the Nominee shall be a valid discharge to the Society.

### Amendment or Revocation of a Nominee

You may subsequently vary or revoke any nomination made in the same manner prescribed for the naming of Nominees.

A nomination is automatically revoked if the Nominee dies before You. A nomination shall not be revoked by Your subsequent will.

## Payment to Nominees

Upon receiving satisfactory proof of Your death, We will pay to Your Nominee the amount due to You, or such part of this amount as specified in the nomination.

The receipt of the amount due by Your Nominee shall be a complete discharge to the Society, which shall not be concerned with the application of the monies paid.

## Section 10 – Termination of Membership

### Resignation from Income Membership

After Your Retirement Date as shown on Your Policy Schedule, You will no longer be eligible for Income Benefit. You must therefore resign from Income Membership. You may either commute (see Section 8 Associate Membership) or Terminate Your Membership.

### Forfeiture on Early Termination

If You Terminate Your Membership before the age of 60 ('Early Termination'), You will forfeit the last two years of Dividends and Interest to Your Profit Share Account and You will not be eligible for any Loyalty Bonus (see Article 36 below). If You have been a Member for less than two years, You will forfeit the whole of Your Profit Share Account.

These penalties do not apply if You Terminate Your Membership after the age of 60.

If Your Membership is Terminated before the age of 60 as a result of Your death, We will not apply the Early Termination penalties.

If You Terminate Your Membership before the age of 60 as a result of early retirement from Your normal occupation (or all of Your normal occupations) due to ill health, then if You provide Us with satisfactory evidence that You are no longer able to return to Your normal occupation or occupations We will not apply the Early Termination penalties.

### Termination Accounting

The actual calculation of what is payable to You upon Termination (excluding any forfeiture on Early Termination) is as described in The Rules.

The year in which You Terminate will be accounted for on a pro rata basis for the purposes of any accruals to Your Profit Share Account, depending upon the number of days You were a Member in that year.

We will deal with requests to Terminate in order of the dates We receive them. Should it be necessary for Us to realise any Investments made by Us in order to pay Your amounts due, We may suspend such payments until We have received the funds from such Investments.

### Loyalty Bonus

The Declaring of any Loyalty Bonus will be in accordance with The Rules of the Society then in force. Below is a brief description of the process.

We will determine a rate of Loyalty Bonus which We consider appropriate at the time and will advise You annually of the prevailing rate.

This rate, which will be described as a percentage, will be added to Your Profit Share Account if You Terminate, provided You have not elected for Early Termination or been expelled from the Society for any reason.

#### Insured and Administered by PG Mutual

HMCA Care Limited is an Introducer Appointed Representative of PG Mutual, the trading name of Pharmaceutical & General Provident Society Limited.

**Contact: 01727 228571 Email: [ip@hmca.co.uk](mailto:ip@hmca.co.uk)**

Registered office: 11 Parkway, Porters Wood, St Albans, Hertfordshire AL3 6PA. Incorporated in the United Kingdom under the Friendly Societies Act 1992, Registered Number 462F. PG Mutual is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Firm Reference Number 110023.

June 2020 INCOME PROTECTION PLUS - POLICY SUMMARY

