

**CUNA MUTUAL'S LIFE SAVINGS
GROUP LIFE INSURANCE SCHEME**

POLICY DOCUMENT

Underwritten By:



50 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JX

Sterling Life Limited is a private company limited by shares registered in England under registered number 911235. Its registered offices are at 50 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JX.

Sterling Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. It appears on the Financial Services Register under number 202178. This can be checked at: www.fca.org.uk

By this policy Sterling Life Limited agrees to pay to the **group policyholder**, the life insurance benefits stated in the First Schedule, upon the death of a **life insured** while the insurance remains in force but not otherwise. This is subject to the terms and conditions detailed in this policy, and any related endorsements, which supersedes all previous versions issued.

PROVIDED ALWAYS THAT:

1. The premiums described in this policy are paid by the **group policyholder** in the manner stated in the policy.
2. The First Schedule, together with all declarations and statements made by the **group policyholder** and the **life insured** shall form the basis of this policy.
3. Any data provided with respect to **group policyholder** membership and insured balances is true and fair at the date it is provided.

A change in this policy is valid only if it is approved by an officer of Sterling Life Limited. A valid endorsement is required as evidence of such approval. No agent has the authority to change the policy or waive any of its terms.

Signed on the date of issue stated in the Policy Schedule on behalf of the Company.

Sterling Life Limited

A handwritten signature in black ink, appearing to read 'J Blundell', with a horizontal line underneath.

John Blundell
Managing Director

POLICY DOCUMENT

DEFINITIONS

As used in this policy, these words and terms shall have the following meanings:

Date of Deposit or Date of Withdrawal	the date the group policyholder records a deposit in or a withdrawal from the savings account of a member .
Deposit	an amount of savings lodged or placed with the group policyholder at one time.
Geographic Area	Western Europe (i.e. the United Kingdom, Ireland, France, Germany, Belgium, Netherlands, Luxembourg, Italy, Spain, Portugal, Austria, Switzerland, Denmark, Sweden, Finland and Norway), North America (i.e. United States of America and Canada), Australia and New Zealand.
Group Policyholder	the credit union who is contracting with Sterling Life Limited to provide insurance coverage for their members who meet the definition of lives insured .
Holiday	an event where the life insured leaves the geographic area with documented arrangements to return within thirty-one (31) calendar days.
Life/Lives Insured	all individual members with savings balances with the group policyholder who meet the age limit qualifications. Only the member whose signature appears first on the savings account is covered.
Loans for Savings	where the member takes out a loan in order to deposit the same loan proceeds into the member's savings account .
Member	a natural person who is a member of the group policyholder at date of death.
Savings	includes a share purchase, a certificate of deposit or any other form of savings purchased from or placed in the group policyholder .
Savings Account	the accounting records of the group policyholder on which is recorded the deposits, withdrawals and savings balance of a member .
Savings Balance	the total amount of savings standing as a credit in the savings account of a member at any one time. If a member has savings in more than one account, savings balance means the sum of their savings in all their accounts.
We, Us or Our	Sterling Life Limited.
Withdrawal	an amount of savings withdrawn from the group policyholder at one time.
You or Your	the group policyholder .

PAYMENT OF PREMIUM

Who pays the premium	The premium is payable by the group policyholder .
How premium payable is calculated	The premium payable for a term of insurance is based on the month-end insured balances of the members' savings and is arrived at by multiplying the sum of those balances on that date by the premium rate.
Insured balance	<p>The total of the members' savings account balances in the group policyholder for which a premium has been paid and is payable during the time this policy is in force excluding:</p> <ol style="list-style-type: none">1. All savings balances credited to non-members of the group policyholder, non-natural persons, clubs, associations or other organisations;2. All savings balances credited to a member after the member has attained the age limit;3. All savings balances in excess of the savings limit;4. All savings balances credited to a member as loans for savings;5. Classes of savings that have been specifically excluded as shown elsewhere on the First Schedule or Second Schedule. <p>If all or part of any savings balance is excluded under more than one of the above provisions, it is deducted only once from the insurable balance total.</p>
When premium is due	The premium for each term of insurance is due and payable to us on or before the 15 th day of the next calendar month following each month of coverage.
Right to change premium rate	We have the right to change the premium rate. If we do, we will give you thirty-one (31) days advance written notice. Unless coverage is changed, we will not change the premium rate more often than once every twelve (12) months.

TERMINATION OF THIS POLICY

Right to terminate the policy	<p>This policy may be terminated at any time by us or by the group policyholder after it has been in effect for at least one year. One must give the other at least thirty-one (31) days advance written notice of intention to terminate this policy.</p> <p>In addition we may terminate the policy in the following circumstances:</p> <ol style="list-style-type: none">1. Thirty-one (31) days after a receiver or liquidator is appointed for your credit union;2. Immediately when you merge into or are taken over by, another credit union or financial institution; or3. Immediately when your regulatory authorisations are cancelled.
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In the above circumstances, **we** have the right to deduct any premium due to **us** from any life insurance benefits due to be paid to **you**.

After the grace period

We may automatically terminate this policy if any premium is not paid within the grace period. The **group policyholder** will be liable for payment of any premium due to **us**.

COVERAGE OF LIFE SAVINGS GROUP LIFE INSURANCE SCHEME

Coverage

This policy provides insurance on the lives of the **members** of the **group policyholder** which is based on the amounts of their **savings** in the **group policyholder**.

WHO QUALIFIES AS A LIFE INSURED

Eligibility for cover

All **members** who meet the age limit, meet any other qualification requirements, and whose **deposits** meet eligibility standards set forth in this policy are included for cover.

Age limit

The cover will stop on the age limit indicated in the First Schedule.

Savings limit

The **group policyholder** has elected a **savings** limit as shown in the First Schedule. A member will not qualify for cover on more than the **savings** limit amount of their **savings balance**.

Excluded savings

If the **group policyholder** has elected to exclude specific classes of **savings**, as shown in the First Schedule, a **member** does not qualify for cover for those classes of **savings**.

WHO IS INSURED

First-named insured

Cover is on the **member** whose signature appears first on the **savings account**. Second-named **members** are not covered.

For trust accounts, the first-named beneficiary of the trust is the **life insured**. However, if there is a written trust agreement on file with the **group policyholder** stating that the trustee is the true owner of the account, then the trustee is the **life insured**.

No enrolment

All **members** who meet the age limit qualification and who qualify as **lives insured** are included for coverage.

New entrants

All new **members** of the **group policyholder** who are eligible for cover shall be added, from time to time, to the group of **members** originally covered under this policy, as of its effective date. The **group policyholder** shall include all such **members** in the information required to calculate the premium. The **group policyholder** shall not unlawfully withhold coverage from any eligible **member**.

WHEN DOES COVER START AND STOP FOR YOUR MEMBERS

Cover starts	Cover on a member starts for each separate deposit that makes up the savings balance on its deposit date or, if later, on the date the member qualifies for cover on that deposit or on the date this policy starts.
Cover stops	Cover on a member stops on the date when: <ol style="list-style-type: none">1. the member withdraws their savings; or2. the member ceases to be a member of the group policyholder; or3. this policy stops.

WHAT WE WILL PAY

How much do we pay	The amount of a member's insurance is based on: <ol style="list-style-type: none">1. the insured balance on the date of the member's death, which may not exceed the savings limit as shown in the first schedule, and2. the benefits that are determined by the percent that is applicable based on the member's age at death in accordance with the table of benefits in the First Schedule.
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Please note a life insurance benefit is based on the **member's** age on the date of death and cover stops altogether on the age limit indicated in the First Schedule

Who receives the proceeds	If a member dies while covered under this policy we will pay the proceeds to the group policyholder .
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Notice and proof of death	Proof of death must be submitted to us within two (2) years of the occurrence of death.
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If notice and/or proof cannot reasonably be given within the period, the claim will not be invalidated if it is shown to have not been reasonably possible to give notice and/or proof, prior to the date it is first presented.

How to make a claim	To provide proof of a death claim, the group policyholder must send us certified copies of: <ol style="list-style-type: none">1. the death certificate;2. proof of age;3. the member's savings account records; and4. an original claim statement.
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In addition a completed and signed letter of consent to gather medical information must be provided, if requested.

WHAT WE WILL NOT PAY

Misstated age	If a member has misstated their age to the group policyholder , the amount of life insurance benefit will be determined by the member's correct age.
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If the **member's** correct age is equal to or greater than the age limit, **we** will only return the premium paid to **us** for the period after the **member** reached the age limit for cover and **we** will not pay any claim.

Pre-existing condition
Limitation

We will not pay a life insurance benefit for a **deposit** of an insured **member** if their death results from an illness or injury for which they received medical advice, consultation or treatment within the six (6) month period prior to the **deposit** date. **We** will not apply this rule if the **member** dies six (6) months or more after the **date of deposit**.

War/terrorism/nuclear exclusions

Life insurance benefits under this policy are not payable if a **member** dies resulting from:

1. insurrection or any act of war, declared or undeclared, or service in the armed forces of any country, revolution, terrorism, usurped power or action taken by the governmental authority in hindering or defending against any of these; or
2. nuclear reaction, radiation or radioactive contamination.

Suicide exclusion

Life insurance benefits under this policy are not payable if a **member** commits suicide, within six (6) months from the date of the **deposit**.

Time limitation

If the policy is terminated, there will be a period of two (2) years from the date of termination in which the **group policyholder** may submit a claim that was incurred during the term of insurance.

Geographic jurisdiction

We will not pay a life insurance benefit if a **member** dies outside of the **geographic area**. However, a claim may be valid if the death of the **member** occurs while they are on **holiday**; in such a case, written proof of death must be submitted to **us** demonstrating that no other policy exclusions apply. For the purposes of this exclusion the place of death of a **member** is determined by the location where death occurs or where the body is found.

GENERAL PROVISIONS

The contract

This policy with the First Schedule and any attached endorsement, is the entire insurance contract.

Notification and amendments

We shall not be affected by notice of any fact relating to this policy unless and until express notice in writing of such fact has been received by **us**. No change in terms of this policy will be valid unless produced in writing and signed by an authorised officer of **ours**. An agent of **ours** cannot change this contract, waive any of its terms or make any promise that will be binding on **us**.

Changes to policy terms	We reserve the right to alter and amend this policy, by providing the group policyholder with at least thirty one (31) days written notice of such change.
Utmost good faith	All statements made by any person relating to their insurability shall be made in utmost good faith. Incorrect or fraudulent information provided by the member to the group policyholder , or the group policyholder to us may result in a denial or reduction of life insurance benefits under this policy.
Premiums and reports	The group policyholder needs to complete reports of coverage using forms provided by us . All premiums and reports of coverage shall be submitted to us or to such other place as we may designate.
Grace period	This policy has a thirty one (31) day grace period. This means if a premium is not paid on or before the date it is due, it may be paid during the following thirty one (31) days. During the grace period the policy will stay in force. The grace period will not apply if this policy is terminated by us or by the group policyholder .
Group policyholder records	The group policyholder shall make available to us , on request, any books and records of the group policyholder pertaining to coverage under this policy or other documents as we may reasonably require. We shall be entitled to act upon the data, information and evidence so furnished. We shall not be liable for any loss or consequential loss occurring as a result of any error, omission or inaccuracy made by the group policyholder or their agents in any data, information or evidence so furnished.
Data protection	We will ensure that any data provided by the group policyholder or others is used for its specified purpose as required under this policy only and in line with data protection legislation.
Payment of benefit	Any life insurance benefits under this policy will be paid to the group policyholder once we receive written proof of death and the claim has been assessed. These payments will completely discharge our liability to the extent of the payment.
Transfer of existing cover	We will accept a transfer of existing cover for all members based on the current rules of life savings scheme(s) in place prior to the effective date of this policy only upon written notification from us and where indicated as such in the First Schedule. Where cover in the new scheme is more beneficial, members will be automatically granted those benefits. If the rules of this policy differ from those of the previous scheme, details of the differences must be submitted to us prior to any acceptance being given.
Compensation Scheme	We are covered by the Financial Services Compensation Scheme (FSCS) in respect of UK risks. You may be entitled to compensation from the scheme if we cannot meet our

responsibilities. Most insurance contracts are covered for 90% of the claim with no upper limit. **You** can get more information about the compensation scheme arrangements by contacting the FSCS on 0800 678 1100 or by visiting their website at www.fscs.org.uk.

Complaints

If **you** have any questions or complaints about this policy, please contact **us** as follows:

- By phoning **us** on 0845 272 3411*, or
- By writing to **us** at Sterling Life Limited, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JX or
- By sending **us** a fax on 0845 271 1466

Making a complaint will not affect **your** right to commence legal action.

* To make sure **we** maintain a high-quality service, **we** may monitor or record phone calls.

Laws

This policy shall be subject to the laws of England and Wales, unless one of the following applies:

- the **group policyholder** is based in Scotland in which case the policy is subject to the law of Scotland, or
- the **group policyholder** is based in Northern Ireland in which case the policy is subject to the law of Northern Ireland.

Invalid and / or unenforceable provisions

In the event of any one or more of the provisions Unenforceable contained in this policy being invalid or unenforceable, the validity and enforceability of the remaining provisions contained herein shall not in any way be affected. The policy shall apply as if the invalid and/or unenforceable provisions had not been included.