

THE ODDFELLOWS

PROPOSED AMENDMENT TO THE INSTRUMENT OF TRANSFER OF THE IDEAL BENEFIT SOCIETY

- . 20.2 At any time after the elapse of one year from the date of the cessation of the separate Ideal Insurance Company Sub-Fund (but not before), the Oddfellows Board, acting on the advice of the Oddfellows' Actuary, may determine a basis for the cessation of the Ideal Sub-Fund as a separate fund within the Long Term Fund which is fair to all affected policyholders whereupon the other provisions of this Instrument shall cease to apply.
- . 20.3 On the cessation of the Ideal Sub-Fund pursuant to clause 20.2, the surplus of the Ideal Sub-Fund shall be distributed or allocated to those policies within the Ideal Sub-Fund which were in force as With Profits Policies on the date of cessation on a basis determined, taking into account the advice of the Oddfellows' Actuary, the Oddfellows' With-Profits Actuary, and the Oddfellows With-Profits advisory arrangement (the Insurance Committee), in a manner that complies with Oddfellows regulatory and legal obligations including the requirements to treat customers fairly (taking into account policyholders' reasonable expectations) (subject always to any charges for implicit capital support under clauses 7.2 and 7.3), upon which no further allocation of surplus will be made to those policies.
- . 20.4 On the cessation of the Ideal Sub-Fund all ex-Ideal policies (whether these had been with-profit or non-profit) will be charged expenses using a fair and reasonable basis, and reflecting the approach that Oddfellows uses for its other Long Term Business funds and taking into account the nature of the substantive changes to the ex-Ideal with-profit policies, in particular that they will operate similarly to non-profit policies.