ST. CANICE'S CREDIT UNION
YOU'RE IN GOOD HANDS

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Dear Member,

RE: DEATH BENEFIT INSURANCE

As we face significant financial uncertainty due to Covid-19 and Brexit, the Board and Management of St. Canice's must look at safeguarding the future of the credit union and we have analysed our costs to see how best we can do this for all members.

One of our largest costs is the range of insurance services that we provide at no extra cost to members. Last year the cost of these insurances was over €1.9 million. When we initially introduced these services over 20 years ago, members opted to pay for the services if they wanted to avail of them. Over time as we reaped the benefits of strong investment income, we were in a financial position to fully cover these costs for our members. However in recent years our investment income has been significantly eroded and the cost of providing these insurances is unsustainable.

Presently St. Canice's Credit Union provide the following at no extra cost to members

- Death Benefit Insurance of €1,950 for each member, available to help cover funeral expenses.
- Loan Protection Insurance cover ensures that loans are cleared in full in the event of your death.
- Life Savings insurance which is calculated based on the level of shares you hold and an amount up to €5,000 is payable in the event of your death.

Rather than paying insurance for almost 70,000 members we have found a way of improving the cover available while at the same time reducing the cost for the Credit Union. The Board and Management of St. Canice's Credit Union have had to take the prudent and necessary decision to revert to the previous Member Pay offering for Death Benefit Insurance however with increased benefits.

We have negotiated Death Benefit Insurance of €2,500 per member at a competitive premium of only €1 per week payable by each member who wishes to sign up; irrespective of age and with no medical assessment required. This is an increase of €650 on the current benefit, which is extremely attractive in the current market. Death Benefit Insurance has proven to be extremely valuable for our members in the past in helping bereaved family members lessen huge financial burdens at a difficult time.

Enclosed with this letter, you will find a leaflet including the Terms and Conditions for this new Member Pay Scheme, along with an Enrolment Form. If you wish to be covered for Death Benefit Insurance from the 1st April 2021, all you need to do is complete the enrolment form, drop it into any one of our nine branches or return it by post. We can then deduct the premium from your account, and you will be accepted into the scheme.

If you are over 70 years old and were eligible for cover under our existing scheme and wish to avail of this new offering, you will need to complete the enrolment form and return it to us no later than the 1st April 2021. This is to ensure that you will not experience any break in cover. Current eligibility requires that member's sign up to the new scheme before their 70th birthday, but an exception is being made for those over 70 years old who are eligible under our existing scheme.

Founded 1964. Affiliated to the Irish League of Credit Unions.
St. Canice's Kilkenny Credit Union Limited is regulated by the Central Bank of Ireland.
When acting as an insurance intermediary, St. Canice's Kilkenny Credit Union Limited is regulated by the Central Bank of Ireland.

To summarise the insurance cover available to each member will be:

- Death Benefit Insurance: The amount which will be paid out has increased to €2,500. Only members interested will need to opt in at a cost of €52 per annum as this is no longer provided at no extra cost.
- Loan Protection Insurance: remains unchanged and at no extra cost to members.
- Life Savings insurance: remains unchanged and at no extra cost to members.

It has been a difficult but necessary decision to change the Death Benefit Insurance to Member Pay and the Board will continue to monitor and review this on an annual basis.

We would like to thank you, our members, for your ongoing support. We look forward to continuing to be your financial provider of choice both now and into the future.

We understand that you may have queries so please contact any member of our team who will be available to answer your questions.

Yours sincerely

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Carmel Butler
CEO