

Avant *Retirement Reward Plan*

Eligibility criteria

Effective January 2020

These Eligibility criteria reflect the current policy of the Board for determining which members of Avant are eligible to participate in the Avant Retirement Reward Plan and any Retirement Reward Dividend declared by Avant. The Eligibility criteria are entirely at the discretion of the Board and no person will be eligible to receive a Retirement Reward Dividend until such time as the Board declares a dividend in favour of that Member. The Eligibility criteria are subject to change, suspension or termination by the Board at any time.

1. Definitions

Capitalised terms used in these Allocation Rules have the following meaning:

AIL means Avant Insurance Limited.

Allocation Rules means the Allocation Rules determined by the Board from time to time at its absolute discretion.

Avant means Avant Mutual Group Limited.

Board means the board of directors of Avant.

Eligible Member in relation to a Retirement Reward Dividend means a Member who meets the criteria set out in Rule 2.

Member is a member of Avant.

Record Date will be 30 June each year or such other date determined by the Board as the record date for determining eligibility under the Eligibility criteria each year.

Retirement Notification Date is the date determined by the Board each year as the date by which an Eligible Member must notify Avant that the Member has permanently retired from practising medicine and wishes to be considered as a Retiring Eligible Member for that year.

Retiring Eligible Member is an Eligible Member who satisfies the criteria set out in Rule 3.

Voting Member has the same meaning as set out in the constitution of Avant.

2. Eligible Members

A Member will be an Eligible Member for the purposes of the notional allocation of amounts for the purposes of the Avant Retirement Reward Plan, if that Member has not previously been a Retiring Eligible Member and is a Voting Member as at the relevant Record Date.

For the avoidance of doubt, a Member can only be a Retiring Eligible Member once. Any Member who has notified Avant that he or she has permanently retired from practice in accordance with clause 3 of these Eligibility criteria, cannot subsequently become an Eligible Member again in any future year.

3. Retiring Eligible Members

A Member will be a Retiring Eligible Member and eligible for a Retirement Reward Dividend pursuant to Rule 1.1 of the Allocation Rules if that Member is an Eligible Member and satisfies either of the following:

- a) Permanently retired from paid medical practice during the 24 months prior to the Record Date; or
- b) Was permanently disabled and unable to continue practising medicine during the 24 months prior the Record Date and has notified Avant by the Retirement Notification Date that the Member has retired and wishes to be considered as a Retiring Eligible Member by completing and signing the form and statutory declaration provided by Avant. The Member must remain a Voting Member until the date for payment of the Retirement Reward Dividend.
- c) A Member has no outstanding debt with Avant Insurance for either insurance premium and/or claims deductible charges.

If a Member dies during the 24 months ending on the Record Date, their estate may be eligible for an ex-gratia payment equivalent to the amount of any Retirement Reward Dividend the Member may have received if they were a Retiring Eligible Member. Any payment will not include any franking credits or be grossed up to take into account any franking credits the Member may otherwise have received.

4. Review process

Avant may determine in its absolute discretion whether any Member qualifies as an Eligible Member and/or a Retiring Eligible Member and is entitled to receive a Retirement Reward Dividend.