

Flexible Group Income Protection

Member's glossary for all employees except members of a final salary pension plan or the RBS Insurance Pension Scheme.

General information

Effective date	1 st October 2018
Principal employer	The Royal Bank of Scotland Group plc
Scheme	RBS <i>elect</i> Group Disability Benefits
Annual renewal date	1 st October

Membership conditions

1. You are aged not less than 16 years but less than your **state pension age**.
2. You are employed for not less than 1 hour each week.
3. You are an employee of the **employer**.

Further scheme information

Actively at work You must be in full active employment, physically and mentally able to perform all the duties associated with your normal job on the day cover is due to start or increase.

Benefit You can choose one of the following levels of benefit:

1. 50 per cent (the **core and default benefit**)
2. 75 per cent (the **maximum benefit**)

of **scheme earnings**.

The benefit you select cannot be below the **core benefit** or higher than the **maximum benefit**. We'll also not pay any benefit above the **maximum insured benefit**.

If you don't choose the amount of benefit you'd like when you first meet all the **membership conditions** you'll receive cover for the default benefit.

You also need to choose your **benefit termination date**, which is for 5 years or to **state pension age**.

At a **flex date** you can either

- (i) increase your benefit by a maximum of 1 level(s);
- (ii) change your **benefit termination date**; or
- (iii) leave your benefit level and **benefit termination date** unchanged.

You cannot increase your **benefit** level and **benefit termination date** at the same **flex date**.

You can increase your cover at a **flex date** up to a maximum of 1 times during each year ending on the day before the **annual renewal date**.

You can decrease your benefit by any number of levels or reduce the **benefit termination date**, at any **monthly accounting date**.

If you choose to increase your **benefit termination date** at an **annual renewal date** you'll also need to complete an application form. The application has five health questions for you to answer before we'll consider the increase to your **benefit termination date**. Please ask your employer if you'd like more information.

Benefit alteration date

Your cover will change if your **scheme earnings** increase or decrease. The benefit alteration date is the date we'll change your cover to allow for the change to your **scheme earnings**. The date this change will apply to your cover is the 1st October and each day afterwards.

Benefit increase date

Your **benefit** will increase on the anniversary of the **benefit start date** each year.

Benefit increase rate

Your **benefit** payment will increase by the **retail prices index** but not more than 2.5 per cent per annum.

Benefit termination date

You can only choose from either (a) or (b) below:

The earlier of:

- (a) when you reach your **state pension age** and
- (b) 60 months after the **benefit start date**.

Core benefit

50% of scheme earnings

Deferred period

Your **benefit** will start after a period of 26 weeks from the first day you're unable to work because of your illness or injury and meet the **incapacity definition**. Unless you would benefit from group sick pay as notified by RBS, in which case your benefit would start after a period of 52 weeks.

Employer

The **principal employer** and any other employer included in the **scheme**.

Entry date

The 1st October and each day afterwards.

Flex date

*At an **annual renewal date** or one of the next two **monthly accounting dates** following a **lifestyle event**.*

Incapacity definition

You're incapacitated by illness or injury that prevents you undertaking any occupation that we consider appropriate to your experience, training or education. Such an occupation may be lower paid or lack the seniority of your own job.

We've only included a summary of the incapacity definition here. Please ask your **employer** if you'd like to see the full definition.

Lifestyle event

- Promotion that gives the member eligibility for a company car.
- The birth or adoption of an employee's child.
- Death of a dependant.
- Relocation – transferring between countries where different benefits apply.
- Relocation – where changing work location or moving house.

- Reduction in working hours to less than 21 hours per week and a change from full-time to part-time.
- Change in salary as a result of long-term disability benefit.
- Returning from maternity leave or additional paternity leave.
- Divorce.
- Expiry of a company car lease.
- Pregnancy.

Maximum benefit 75 per cent of your **scheme earnings**

Maximum insured benefit Your **benefit** will not exceed the lesser of:

- the **maximum benefit**.
- £425,000 benefit.

Monthly accounting date 1st of each month

Retail Prices Index or RPI The rate of increase is linked to inflation, as measured by the Retail Price Index (RPI) issued by the Office of National Statistics (ONS). We'll use the twelve-month period ending two months before the **benefit increase date**.

Scheme earnings Contractual fixed pay which can include the following elements: Salary, Benefit Funding (%age of salary), Benefit Funding (fixed sum), Pension Benefit Funding (%age of salary), Pension Benefit Funding (fixed sum), Regional Allowance, Flight Allowance

State Pension Age This is the State pension age that applies to you. If you aren't entitled to a UK State pension, it is the age or date a UK State Pension would have otherwise started for you.