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north west**

Bringing energy to your door



Group Income Protection Scheme

(GIP Scheme)



As an active member of the LifeSight master trust ("the pension scheme") you are automatically covered by the GIP Scheme which is designed to pay you a proportion of your salary if you are absent for a prolonged period due to illness or injury. This leaflet summarises the GIP Scheme. The cost of the scheme is deducted from the Company contributions paid into the pension scheme on your behalf. You therefore have no P11d tax liability for the cost of this benefit.

The GIP Scheme is currently insured with Legal & General which is a leading insurance company. Benefit payment will be dependent on any conditions imposed by and the requirements of Legal & General.

Income benefit

If you are away from work and satisfy the GIP Scheme criteria (below) then, once you have been absent for a continuous period of 26 weeks, the GIP Scheme will ensure that a benefit equal to 50% of your Pensionable Earnings prior to your becoming absent is paid to you. This benefit includes any company sick pay you may be receiving.

In order to qualify for the benefit you must be unable, by reason of sickness or accident, to follow the main duties of your own job and not be engaged in any other job.

A stricter definition of incapacity will be imposed for certain licensed occupations and occupations requiring specialist skills or high levels of fitness.

Pension and life assurance benefit

The GIP Scheme will also pay an amount to the Company to ensure your own contributions (up to 5%) and the Company's contributions (up to 10%) to the pension scheme are covered in order that your pension and life assurance benefits are protected.

Payment of benefit

Benefit will be paid to you via the Company's payroll. One year after the start of your benefit, and yearly thereafter, your benefit will increase by the lesser of 5% and the increase in the Retail Prices Index.

Should you return to work and become absent for the same reason within a period of 26 weeks, your benefit payment will resume immediately.

Benefit will be paid for a maximum of 2 years and will stop on your return to work, on your retirement, on your reaching State Pension Age, on your death or on your leaving the Company, if sooner.

Partial disability

A proportionate benefit may be payable if you are able to return to work on a part-time basis or to a lower paid job with the Company. Medical evidence and Company consent may be required.

Medical evidence

Benefit payment will be dependent on the insurance company receiving satisfactory medical evidence to support the claim made on your behalf and agreeing to pay the benefit. From time to time during the course of a claim, the insurance company will review the evidence to make sure the claim remains legitimate.

If you join the pension scheme after the date you are first eligible, the insurer may require satisfactory medical evidence before confirming cover under the GIP Scheme.

Termination or amendment

Although the Company intends to maintain the GIP Scheme in the future, it reserves the right to terminate the GIP Scheme or to amend the basis at any time. You would be given appropriate notice if this was to happen.

October 2023

