

Retiree FlexBenefits at a glance

The following high-level summary of the benefits available under the *Retiree FlexBenefits Program* is provided for your quick reference. For a more detailed description of each benefit, please refer to the appropriate section of the *Retiree FlexBenefits* booklet. Coverage is based on a benefit period of January 1 to December 31. For information on eligibility criteria, premium deductions, beneficiary designation and other program details, please refer to Me & RBC > My Benefits > *Retiree FlexBenefits*, or at www.rbc.com/pensioners/.

ELIGIBILITY

You are eligible to participate in the *Retiree FlexBenefits Program* provided that you meet **all** of the following criteria: are formally retired from RBC on or after January 1, 2010; are at least 55 years of age; are residing in Canada; you must have five years of benefit eligibility in the last 10 years*; have completed at least 10 years of pensionable service immediately prior to your retirement date; and are accruing pensionable service in one of RBC's Canadian pension plans immediately prior to your retirement.

* Criteria changed effective July 1, 2011.

FLEX CREDITS

As an eligible retiree, each year you will receive an annual *flex credit* allotment – currently \$50 for each full year of service, to a maximum of 35 years. You will use these *flex credits* – together with personal payments, as required – to purchase your preferred benefit option and level of coverage. Remaining *flex credits*, if any, will be prorated based on your date of retirement or eligible change event and the number of days remaining in the benefit period, and deposited into your Health Spending Account (HSA).

At retirement, any remaining balance in your HSA under the *FlexBenefits* program for active employees may not be carried over to the *Retiree FlexBenefits Program*. However, you will have up to 90 days after your retirement date to file any claims that you incurred prior to your retirement.

If you die, your surviving spouse/partner/eligible dependents will remain eligible to receive a continuing *flex credit* allotment – currently \$25 per year of your service, to a maximum of 35 years.

For more information on *Retiree FlexBenefits* coverage for Quebec residents, see "Information for Quebec residents" on Me & RBC > My Benefits > *Retiree FlexBenefits*, or at www.rbc.com/pensioners/.

YOUR CHOICES

You will have a one-time opportunity, at the time of your retirement, to choose one of the following options – **Basic, Enhanced, Catastrophic, or Opt-out** – which will apply across all of the available healthcare plans – Supplementary Medical, Prescription Drug, Emergency Out-of-Province/Country Medical and Travel Assistance, and Dental. You cannot elect a different coverage option for each plan, nor can you increase coverage for the duration of your retirement. However, you can make certain changes should you have an eligible change event and reduce/cancel your coverage at any time.

The price tags for coverage under each option vary by region – Atlantic, Central, Western and Saskatchewan.

Opting out

You can choose the *Opt-out* option, and use your annual *flex credit* allotment to pay for eligible expenses, as defined by the Canada Revenue Agency, on a pre-tax basis (except in Quebec) through your Health Spending Account. If you choose the *Opt-out* option, you will not be able to change your benefit option in the future.

Quebec residents are subject to some restrictions on opting out of coverage. For more information on *Retiree FlexBenefits* coverage for Quebec residents, see "Information for Quebec residents" on Me & RBC > My Benefits > *Retiree FlexBenefits*, or at www.rbc.com/pensioners/.

YOUR LEVEL OF COVERAGE

At the time of your election, you can extend coverage to your eligible family members under the available healthcare plans. Eligible family members can include your spouse/partner and/or dependent children as of your retirement date.

There are three levels of coverage: *Retiree only, Retiree + one dependent, and Retiree + two or more dependents*

RETIREE FLEXBENEFITS

BENEFIT HIGHLIGHTS

SUPPLEMENTARY MEDICAL PLAN

Your benefit coverage ^{1,2}	Basic	Enhanced	Catastrophic	Opt-out
Reimbursement level	<ul style="list-style-type: none">• 70%• Subject to a lifetime maximum	<ul style="list-style-type: none">• 80%• 90% hospital• Subject to a lifetime maximum	<ul style="list-style-type: none">• 100% after \$5,000 annual deductible per insured• Subject to an annual and lifetime maximum	Not covered
Hospital	Semi-private	Semi-private	Semi-private	
Private duty nursing	\$25,000 lifetime	\$25,000 lifetime	\$25,000 lifetime	
Convalescent/Nursing home	\$25,000 lifetime	\$25,000 lifetime	Not covered	
Paramedical (including physiotherapy)	\$500 combined per year	\$800 combined per year		
Dental accident	70%	80%		
Hearing aids	\$300 every four years	\$500 every four years		
Vision care	Not covered	\$150 every 24 months		
Medical equipment & supplies	70%	80%		

PRESCRIPTION DRUG PLAN

Your benefit coverage ^{1,2}	Basic	Enhanced	Catastrophic	Opt-out
Reimbursement level	<ul style="list-style-type: none"> • 70% • Formulary A • Subject to a lifetime maximum 	<ul style="list-style-type: none"> • 80% • Formulary B • Subject to a lifetime maximum 	<ul style="list-style-type: none"> • 100% • Formulary B • Subject to an annual and lifetime maximum 	Not covered
Annual deductible	\$0	\$0	\$5,000	

ANNUAL / LIFETIME MAXIMUMS³

SUPPLEMENTARY MEDICAL AND PRESCRIPTION DRUG

Your benefit coverage ^{1,2}	Basic	Enhanced	Catastrophic	Opt-out
Lifetime maximums apply to eligible medical and prescription drug expenses incurred after retirement. Excludes Vision, Dental and Emergency Out-of-Province/ Country Medical and Travel Assistance	\$250,000 lifetime per insured	\$400,000 lifetime per insured	\$250,000 annual maximum to a lifetime maximum of \$600,000 per insured	Not applicable

¹ Retirees under the age of 65 who reside in Quebec must select either the Basic or Enhanced plan options (for themselves and their eligible dependents) unless they are covered by another group insurance plan. They are not eligible for the Catastrophic or Opt-out plan options under Quebec law.

² All maximums are per covered person. A covered person refers to the retiree and any eligible dependents. The benefit period is January 1 to December 31.

³ Should you reach the lifetime maximum, you will be moved to the Opt-out healthcare option. Although the lifetime maximum has been reached, you will continue to qualify for the annual flex credit allotment. Under the Opt-out option, flex credits will be deposited to a Health Spending Account (HSA) where they can be used to purchase a wide range of eligible medical and dental services as defined by the Income Tax Act (Canada).

RETIREE FLEXBENEFITS

EMERGENCY OUT-OF-PROVINCE/COUNTRY MEDICAL AND TRAVEL ASSISTANCE PLAN

Your benefit coverage ^{1,2}	Basic	Enhanced	Catastrophic	Opt-out
Coverage for the first 31 days of a trip	100%	100%	Not covered	Not covered

DENTAL PLAN

Basic & Preventive	50%	70%	Not covered	Not covered
Endodontic / Periodontic	50%	70%		
Major restorative	Dentures only \$250 every 5 years	50%		
Annual maximum	\$1,000 per year	\$3,000 per year		

HEALTH SPENDING ACCOUNT (HSA)

Your benefit coverage ^{1,2}	Basic	Enhanced	Catastrophic	Opt-out
<i>Flex credits</i> may be used to pay for eligible medical, drug or dental expenses	Excess <i>flex credits</i> are deposited in your HSA	Excess <i>flex credits</i> are deposited in your HSA	Excess <i>flex credits</i> are deposited in your HSA	All <i>flex credits</i> are deposited in your HSA

RETIREE BASIC LIFE

Company-paid life insurance in the amount of \$10,000 for retiree only.

ACCESS TO ADDITIONAL COVERAGE

The following insurance program is available to retirees at discounted rates through RBC Insurance.

TRAVEL MEDICAL INSURANCE

You may purchase coverage from the first day of your trip, if the *Retiree FlexBenefits* option you've elected does not provide any out-of-country emergency medical coverage, or extend coverage beyond the first 31 days.

OPTIONAL BENEFITS

OPTIONAL LIFE INSURANCE

Offers continued optional life insurance coverage for you and/or your spouse/partner and dependent children.

Optional Retiree Life Insurance

- For retiree under age 65: continue coverage at existing or reduced level in multiples of 1 to 7 times your *benefit base* at retirement
- For retiree age 65 to 70: maximum coverage reduces to 100% of your *benefit base*
- For retiree age 70 and up: maximum coverage reduces to 50% of your *benefit base*

Optional Spousal Life Insurance

- For spouse/partner under age 65: continue spousal coverage at existing or reduced level to a maximum of \$90,000
- For spouse/partner age 65 and up: maximum coverage reduces to 50% of previous spousal coverage, to a maximum of \$45,000. Coverage will reduce on the day your spouse/partner turns age 65

Optional Dependent Child(ren) Life Insurance

- Continue coverage of \$10,000
- Coverage ends when you reach age 70 or your covered child(ren) are no longer an eligible dependent, whichever comes first

Benefit base

Your benefit base equals either your current salary; or if you were on an average earnings formula, the average of your eligible earnings for the two previous calendar years, including salary/draw and any regular, ongoing variable pay (e.g., commissions, IA bonus) as designated in your compensation structure/plan and approved by Corporate Compensation. Benefit base excludes any annual or year-end incentive(s)/bonus, or other specified incentives.

OPTIONAL ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) INSURANCE

Offers continued coverage for accidental injury for yourself, your spouse/partner, and/or your dependent children.

Retiree AD&D

- For retiree under age 65: continue coverage at existing or reduced level (in units of \$50,000) to a maximum of \$500,000
- For retiree age 65 to 69: maximum coverage reduces to \$150,000
- Coverage ends at age 70

Spousal AD&D

- For spouse/partner under age 65: continue spousal coverage at existing or reduced level (in units of \$50,000) to a maximum of \$500,000 or amount of your Retiree AD&D coverage, whichever is lower
- For spouse/partner age 65 to 69: maximum spousal coverage reduces to \$150,000 or amount of your Retiree AD&D coverage, whichever is lower
- Coverage ends when you or your spouse/partner reach age 70, whichever comes first

Dependent Child(ren) AD&D

- For retiree under age 65: continue dependent coverage at existing or reduced level (in units of \$25,000) to a maximum of \$100,000 or amount of your Retiree AD&D coverage, whichever is lower
- Coverage ends when you reach age 70 or your covered child(ren) are no longer an eligible dependent, whichever comes first

THE FINAL WORD

This bulletin provides summary information about the *Retiree FlexBenefits Program*. In no way does it create or confer to you any contractual rights or obligations. Where the information provided by this bulletin, RBC, or any other source differs from the approved plan documents and insurance policies that govern your RBC programs, the approved documents and the governing policies will rule.

RBC and its subsidiaries reserve the unilateral right to change, amend or terminate the contracts, plans and/or policy documents covering retirees and/or their dependents and survivors, at any time, including after employees' retirement, and may be required to do so because of changes to legislation. In addition, RBC reserves the right to change or amend the terms and conditions of the various coverages, as well as the amount charged to the individual, at any time, including after employees' retirement.