

# Special Terms and Conditions governing Incapacity for Work

WIA follow-up insurance,

WIA follow-up reinsurance,

Insuring and reinsuring the waiver of premiums for old age  
and surviving dependants' pension

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# Contents

Special terms and conditions  
WIA follow-up insurance  
WIA follow-up reinsurance  
Insuring and reinsuring the waiver of  
premiums for old age and surviving  
dependants' pension

<b>General</b>	<b>4</b>
Article 1 Definitions	4
Article 2 Insurance of the WIA top-up pension	5
Article 3 Insurance of WIA foundation pension	7
Article 4 Insurance of the WGA follow-up gap	9
Article 5 Insuring the waiver of premiums for old age and surviving dependants' pension	11
Article 6 Insuring the WIA basic pension	14
Article 7. Insuring the WIA basic pension variable	15

# General

These special conditions apply if:

- a) this is stated in your insurance or reinsurance contract;
- b) the participant is insured or reinsured under the WIA Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*; WIA];
- c) the participant is insured or reinsured for a WIA top-up, WIA follow-up gap, WIA foundation, WIA basic pension or for the waiver of premiums to accrue old age and surviving dependants' pension, or a combination of these insurances.

These special terms and conditions prevail over the general terms and conditions. In turn, the relevant insurance or reinsurance contract prevails over the special terms and conditions. The agreement also stipulates whether you have insurance or reinsurance. Any reference in these terms and conditions to the word 'insurance' includes reinsurance. If something applies only to reinsurance, this will be mentioned.

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## Article 1 Definitions

In these terms and conditions and insurance contract, the following terms have the stated meaning:

### 1.1 We / us / our

The insurer: Elips Life AG, established in Vaduz, Liechtenstein. The Dutch branch office is located in Hoofddorp.

### 1.2 You / your

The policyholder: the legal entity with which we have concluded the insurance contract.

### 1.3 Participant

The employee whom you employ and who performs work as agreed with you in a contract. A participant:

- a) is obliged to be insured under the Work and Income (Capacity for Work) Act (WIA);
- b) has entered into a pension agreement with you. An occupational disability pension and/or waiver of premiums in case of incapacity for work is/are part of this pension agreement.

In case of reinsurance:

The employee who is employed by the employer who is a participant of the fund. A participant:

- a) is obliged to be insured under the Work and Income (Capacity for Work) Act (WIA);
- b) has entered into a pension agreement with an employer affiliated to you. An invalidity pension is covered by that pension agreement.

In these terms and conditions, any reference we make to 'he' means the participant. We do this in order to keep the text easy to read. It goes without saying that a participant can also be a woman.

### 1.4 Maximum annual WIA benefit basis

The maximum daily wage under the WIA multiplied by 261.

### 1.5 WIA benefit

A benefit under the Work and Income (Capacity for Work) Act (WIA).

The WIA consists of:

- a) the Work Resumption Scheme for Partially Incapacitated Persons [*Regeling werkhervatting gedeeltelijk arbeidsgeschikten*] (WGA) provided for in the WIA;
- b) the Fully Incapacitated Persons Income Scheme [*Regeling inkomensvoorziening volledig arbeidsongeschikten*] (IVA) provided for in the WIA.

### 1.6 Pay-related WGA benefit

Under the WIA, a participant receives a pay-related benefit if he is partially incapacitated. When determining the amount of any pay-related WGA benefit, the salary which the relevant participant earned before he became incapacitated is examined. A participant receives a pay-related benefit after he has been incapacitated for 104 weeks.

### 1.7 WGA follow-up benefit

Under the WIA, a participant receives a follow-up benefit if he is partially incapacitated and earns less than half the amount that a labour expert deems he is still capable of earning. A follow-up benefit is based on the minimum wage.

### 1.8 WIA indexation

The amount of the WIA benefit may be adjusted every six months. We will also adjust the WGA follow-up gap benefit based on that.

### 1.9 First day of illness

The first working day on which the participant does not work due to illness or another problem. It does not matter whether that is a whole day or if the participant stopped working during the day. The first day of illness is the first day of the waiting period.

### 1.10 Reinsurance

Reinsurance applies if a pension fund ensures its participants receive a benefit if they are incapacitated for work and if this pension fund insures the financial risks that this involves with another party.

### 1.11 Qualifying income

Qualifying income is one's insured annual salary. We act on the basis of the salary that applies on 1 January of the year in which the first day of illness occurs and if a benefit is indexed, the qualifying income increases every year on 1 January. Whether or not indexation occurs is stipulated in the relevant insurance contract, as is the associated indexation rate.

### 1.12 Income

We work on the basis of income as defined in the General Income Decree for Social Security Laws [*Algemeen inkomensbesluit socialezekerheidswetten*].

### 1.13 WIA daily wage (uncapped)

We act on the basis of the daily wage (uncapped) mentioned in the award made by the Employee Insurance Agency [Uitvoeringsinstituut Werknemersverzekeringen] (UWV). This is based on the WIA.

### 1.14 Minimum wage

This is the minimum wage an employee receives under the Minimum Wage and Minimum Holiday Allowance Act [*Wet minimumloon en minimumvakantiebijslag*]. The government adjusts the minimum wage.

### 1.15 Degree of incapacity in practical terms

The extent to which the UWV assesses a participant as being incapacitated for work based on the actual income that someone earns.

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## Article 2 Insurance of the WIA top-up pension

### 2.1 General

#### **The annual salary above the WIA benefit basis is insured**

This insurance is for those of your employees whose annual salary exceeds the maximum annual WIA benefit basis. If this involves reinsurance, we mean the participants of that fund when referring to employees.

### 2.2 Purpose of the insurance

#### **A participant will receive a benefit if he becomes incapacitated**

If a participant loses income due to incapacity for work, he will receive a benefit to supplement his income. That is the purpose of this insurance contract. This insurance will only pay out provided that the participant is still incapacitated for at least 35% after the waiting period.

### 2.3 Waiting period

#### **The waiting period for the WIA top-up pension is no less than 104 weeks**

This waiting period is the same as the waiting period under the WIA.

- a) If the waiting time under the WIA is shorter, the participant will not receive an earlier payment from this insurance.
- b) If the waiting time under the WIA is longer (voluntarily), the participant will only receive a payment on the date on which the WIA benefit commences. He cannot receive an earlier payment through this insurance.

### 2.4 Start of the payment entitlement

#### **Entitlement to a WIA top-up pension comes into effect 104 weeks after the first day of illness**

The entitlement to payment of a WIA top-up pension arises on the first day on which the participant receives a WIA benefit. This will occur no earlier than 104 weeks after the first day of illness.

### Ensure that we receive a copy of the award decision

If we think that a participant is entitled to a WIA top-up pension, we will comply with the UWV's award decision under the WIA. You or the fund will ensure that we receive a copy of it as soon as possible.

## 2.5 WIA top-up pension benefit

We calculate a WIA top-up pension on an annual basis using this formula:

$$A \times B \times (C \div D)$$

A: Benefit rate

B: Pension rate

C: Annual pensionable salary

D: Maximum annual WIA benefit basis

### Benefit rate

The extent of incapacity for work determines the benefit rate. This table shows which benefit rate applies in relation to the degree of incapacity.

Degree of incapacity determined by the UWV	Benefit rate of the insured WIA top-up pension
Less than 35%	0%
35 to 45%	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%
80 to 100%	100%

### Pension rate

You will find the pension rate in your insurance contract.

### The annual pensionable salary is the insured annual salary

You will find your annual pensionable salary in your insurance contract. In this respect, we act on the basis of the salary that applies on 1 January of the year in which the first day of illness occurs. In the case of reinsurance one's pensionable salary is stipulated in the pension regulations.

### The maximum WIA benefit basis is annual

In this respect, we act on the legal basis that applies on 1 January of the year in which the first day of illness occurs.

## 2.6 Change in incapacity for work

### We adjust the WIA top-up pension if there is a change in the incapacity percentage

We work on the incapacity percentage that the UWV has determined. We adjust the WIA top-up pension from the date of the change. If the practical incapacity percentage is lower than the theoretical percentage, we pay in accordance with the lower percentage.

## 2.7 Benefit in case of income

### If an incapacitated participant has income,

we work, like the UWV, on the degree of incapacity in practical terms. We follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We pay in accordance with the percentages in the table in Article 2.5, but based on the practical incapacity percentage.

### The participant must provide us with all information about his income

We consult the UWV's Status of Incapacity Benefit (SIB) to assess income data. We may also request a participant for a copy of his income tax return. The participant must then give this to us.

## 2.8 Measures taken by the UWV

### A participant will receive a smaller or no WIA top-up pension in the case of any measure.

The UWV can impose a measure on a participant under the WIA or the Social Security Acts (Measures) Decree [*Maatregelenbesluit socialezekerheidswetten*]. If a measure is imposed, the participant will receive no, or a partial, WIA benefit. This would be the case, for example, if the relevant participant fails to comply with his reintegration obligations. We use the duration and extent of the measure imposed by the UWV as a basis. We also adjust the payout of the WIA top-up pension accordingly.

#### **You or the participant will notify us of the measure**

If a measure has been imposed on a participant, you or he must notify us accordingly. You must do this within one week of the UWV imposing such measure.

#### **2.9 Waiver of premiums in case of incapacity for work**

##### **A participant receives a waiver of premium payments after the WIA top-up pension starts**

If a participant receives a benefit under this insurance, he need not pay any premium on the portion of the WIA top-up pension that he receives.

#### **2.10 End of the benefit payment**

##### **Payment of a WIA top-up pension will stop on:**

- a) the day on which entitlement to a WIA benefit ceases to apply;
- b) the date on which a measure is imposed on the participant under the WIA or the Social Security Acts (Measures) Decree. We also take account of the duration and extent of the measure;
- c) the day after the agreed date on which the relevant participant's cover expires. That expiry date is stipulated in the insurance contract;
- d) the date on which the participant dies.

#### **2.11 No entitlement to the benefit**

##### **A participant is not entitled to a benefit if:**

- a) the first day of illness falls before the date on which this insurance became applicable to the participant. In this respect we will have regard to Articles 5.1 and 5.2 of the general terms and conditions;
- b) you have not paid all of the premiums for this insurance when the WIA top-up pension commences;
- c) the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
  1. the Dutch Civil Code [*Burgerlijk Wetboek*]
  2. the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]
  3. the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
  4. the Sickness Benefit Act [*Ziektewet*]
- d) the participant ceased to be employed before the end of the waiting period for the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- e) the grounds for exclusion under the WIA apply.

#### **2.12 Maximum compensation**

##### **We will top up the income until no more than the qualifying income.**

A participant will have his foregone income topped up to no more than the qualifying income. Our calculation is based on the entire income. In some cases we ask for a copy of his income tax return. The participant must then give this to us.

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## **Article 3 Insurance of WIA foundation pension**

### **3.1 General**

#### **The portion of the salary up to the maximum WIA benefit basis is insured**

This insurance is for your employees. The amount of the insured annual salary is capped at the WIA benefit basis. If this involves reinsurance, we mean the participants of that fund when referring to employees.

### **3.2 Purpose of the insurance**

#### **A participant will receive a benefit if he becomes incapacitated**

If a participant loses income due to incapacity for work, he will receive a benefit to supplement his income. That is the purpose of this insurance contract. This insurance will only pay out provided that the participant is still incapacitated for no more than 35% after the waiting period.

### **3.3 Waiting period**

#### **The waiting period for the WIA foundation pension is no less than 104 weeks**

This waiting period is the same as the waiting period under the WIA.

- a) If the waiting time under the WIA is shorter, the participant will not receive an earlier payment from this insurance.
- b) If the waiting time under the WIA is longer (voluntarily), the participant will only receive a payment on the date on which the WIA benefit commences. He cannot receive an earlier payment through this insurance.

### 3.4 Start of the payment entitlement

#### Entitlement to a WIA foundation pension comes into effect 104 weeks after the first day of illness

The entitlement to payment of a WIA foundation pension arises on the first day on which the participant receives a WIA benefit. This will occur no earlier than 104 weeks after the first day of illness.

#### Ensure that we receive a copy of the award decision

We comply with the UWV's award decision under the WIA. You or the fund will ensure that we receive a copy of it as soon as possible.

### 3.5 Benefit amount

We calculate a WIA foundation pension on an annual basis using this formula:

$$\boxed{A \times B \times C}$$

A: Benefit rate

B: Pension rate

C: Insured annual salary

#### Benefit rate

This table shows which benefit rate applies in relation to the degree of incapacity. The extent of incapacity for work determines the benefit rate.

Extent of incapacity determined by the UWV	Benefit rate of the insured WIA foundation pension
Less than 35%	0%
35 to 45%	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%
80 to 100%	100%

#### Pension rate

The standard pension rate is 10%. You will find the agreed pension rate in your insurance contract.

#### Insured annual salary

You will find the insured annual salary in your insurance contract. In this respect, we act on the basis of the salary that applies on 1 January of the year in which the first day of illness occurs. The insured annual salary is capped at the maximum WIA benefit basis that applies on 1 January of the year in which the first day of illness occurs. In the case of reinsurance, the insured salary is stipulated in the pension regulations.

### 3.6 Change in incapacity for work

#### We adjust the WIA foundation pension if there is a change in the incapacity percentage

We work on the incapacity percentage that the UWV has determined. We adjust the WIA foundation pension from the date of the change. If the practical incapacity percentage is lower than the theoretical percentage, we pay in accordance with the lower percentage.

### 3.7 Benefit in case of income

#### If an incapacitated participant has income,

we work, like the UWV, on the degree of incapacity in practical terms. We follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We pay in accordance with the percentages in the table in Article 3.5, but based on the practical incapacity percentage.

#### The participant must provide us with all information about his income

We consult the UWV's Status of Incapacity Benefit (SIB) to assess income data. We may also request a participant for a copy of his income tax return. The participant must then give this to us.

### 3.8 Maximum compensation

#### We will top up the income until no more than the qualifying income

A participant will have his foregone income topped up to no more than the qualifying income. Our calculation is based on the entire income. We may also request a participant for a copy of his income tax return. The participant must then give this to us.



### 3.9 Measures taken by the UWV

#### **A participant will receive a smaller or no WIA foundation pension in the case of any measure.**

The UWV can impose a measure on a participant under the WIA or the Social Security Acts (Measures) Decree [*Maatregelenbesluit socialezekerheidswetten*]. If a measure is imposed, the participant will receive no, or a partial, WIA benefit. This would be the case, for example, if the relevant participant fails to comply with his reintegration obligations. We use the duration and extent of the measure imposed by the UWV as a basis. We also adjust the payout of the WIA foundation pension accordingly.

### 3.10 Waiver of premiums in case of incapacity for work

#### **A participant receives a waiver of premium payments after the WIA foundation pension starts**

If a participant receives a benefit under this insurance, he need not pay any premium on the portion of the WIA foundation pension that he receives.

### 3.11 End of the benefit payment

#### **Payment of a WIA foundation pension will stop on:**

- a) the day on which entitlement to a WIA benefit ceases to apply;
- b) the date on which a measure is imposed on the participant under the WIA or the Social Security Acts (Measures) Decree. We also take account of the duration and extent of the measure;
- c) the day after the agreed date on which the relevant participant's cover expires. That expiry date is stipulated in the insurance contract;
- d) the date on which the participant dies;

### 3.12 No entitlement to the benefit

#### **A participant is not entitled to a benefit if:**

- a) the first day of illness falls before the date on which this insurance became applicable to the participant. In this respect we will have regard to Articles 5.1 and 5.2 of the general terms and conditions;
- b) you have not paid all of the premiums for this insurance until the time when the WIA foundation pension commences;
- c) the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
  1. the Dutch Civil Code [*Burgerlijk Wetboek*]
  2. the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]
  3. the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
  4. the Sickness Benefit Act [*Ziektewet*]
- d) the participant ceased to be employed before the end of the waiting period for the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- e) the grounds for exclusion under the WIA apply.

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## Article 4 Insurance of the WGA follow-up gap

### 4.1 General

#### **The WGA follow-up gap is insured**

This insurance is for your employees whose annual salary exceeds minimum wage. If this involves reinsurance, we mean the participants in the fund when referring to employees.

### 4.2 Purpose of the insurance

#### **A participant will receive a follow-up gap benefit if he becomes incapacitated**

If a participant loses income due to incapacity for work, he will receive a benefit to supplement his income. That is the purpose of this insurance contract. This insurance pays only when a participant is incapacitated for work and uses less than 50% of his residual earning capacity. This residual earning capacity is the amount that a participant is still capable of earning in spite of his partial incapacity for work.

### 4.3 Start of the payment entitlement

#### **Entitlement to a WGA follow-up gap pension will apply when the relevant participant becomes entitled to a WGA follow-up benefit**

A WGA follow-up benefit commences after a pay-related WGA benefit. If a participant is entitled to a WIA follow-up benefit, he will also be entitled to a WGA follow-up gap pension from that day.

#### **Ensure that we receive a copy of the award decision**

If we think that a participant is entitled to a WGA follow-up gap pension, we will comply with the UWV's award decision under the WIA. You or the fund will ensure that we receive a copy of it as soon as possible.

#### 4.4 WGA follow-up gap benefit

We calculate a WIA follow-up gap pension on an annual basis using this formula:

$$A \times B \times C$$

A: Benefit rate

B: (indexed salary +/- minimum wage)

C: 70%

##### Benefit rate

This table shows which benefit rate applies in relation to the degree of incapacity. The extent of incapacity for work determines the benefit rate.

Extent of incapacity determined by the UWV	Benefit rate of the insured WGA follow-up gap pension
Less than 35%	0%
35 to 45%	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%

##### A capped annual salary is indexed annually

An individual's indexed salary is his insured annual salary which applied on his first day of illness. This is capped at the maximum annual WIA benefit basis on the first day of illness. We index annual salaries on 1 January every year after the first day of illness. Indexation occurs in respect of the period following the first day of illness until and including the first occurrence of 1 January after the first day of illness.

##### We increase an individual's annual salary by no more than 3% every year

We use a participant's annual salary for the purposes of calculating his benefits. This is raised in accordance with the WIA indexation rate every year after the first day of illness. The increase amounts to no more than 3% per annum. If a participant is still not entitled to the WGA follow-up gap pension, the increase simply goes ahead.

##### Minimum wage is the legally stipulated salary including holiday bonus

This refers to the gross monthly minimum youth salary calculated on an annual basis. In this respect we act on the basis of the salary which is applicable on 1 January of the year in which the relevant participant receives a benefit under this insurance. We check the relevant participant's age on that date.

#### 4.5 Benefit in case of income

**If an incapacitated participant has income, we work, like the UWV, on the degree of incapacity in practical terms.**

We follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We pay in accordance with the percentages in the table in Article 4.4, but based on the practical incapacity percentage.

##### The participant must provide us with all information about his income

We consult the UWV's Status of Incapacity Benefit (SIB) to assess income data. We may also request a participant for a copy of his income tax return. The participant must then give this to us.

#### 4.6 Measures taken by the UWV

**A participant will receive a smaller or no WIA follow-up gap pension in the case of any measure**

The UWV can impose a measure on a participant under the WIA or the Social Security Acts (Measures) Decree [*Maatregelenbesluit socialezekerheidswetten*]. If a measure is imposed, the participant will receive no, or a partial, WIA benefit. This would be the case, for example, if the relevant participant fails to comply with his reintegration obligations. We use the duration and extent of the measure imposed by the UWV as a basis. We also adjust the payout of the WGA follow-up gap pension accordingly.

#### 4.7 Waiver of premiums in case of incapacity for work

**A participant receives a waiver of premium payments after a WGA follow-up benefit starts**

The commencement date of the WGA follow-up gap pension is the same as the date on which the WGA follow-up benefit starts. Once the commencement date occurs, the relevant participant will pay the proportionate premiums listed in the following table.

##### The extent of incapacity for work determines the premium percentage

Extent of incapacity determined by the UWV	Proportion of premiums still to be paid
35 to 45%	45%
45 to 55%	31%
55 to 65%	17%
65 to 80%	0%

#### Exception

If the premium is expressed as a percentage of the wages capped at the maximum WIA benefit basis, then instead of the table above, premium is still owed on the salary that the participant actually still earns with his residual earning capacity.

#### 4.8 End of the benefit payment

##### Payment of a WGA follow-up gap pension will stop on:

- the day on which entitlement to a WIA benefit ceases to apply;
- the date on which a measure is imposed on the participant under the WIA or the Social Security Acts (Measures Decree). We also take account of the duration and extent of the measure;
- the day after the agreed date on which the relevant participant's cover expires. That expiry date is stipulated in the insurance contract;
- the date on which the participant dies;

#### 4.9 No entitlement to the benefit

##### A participant is not entitled to a benefit if:

- the first day of illness falls before the date on which this insurance became applicable to the participant. In this respect we will have regard to Articles 5.1 and 5.2 of the general terms and conditions;
- you have not paid all of the premiums for this insurance until the time when the WGA follow-up gap pension commences;
- the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
  - the Dutch Civil Code [*Burgerlijk Wetboek*]
  - the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]
  - the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
  - the Sickness Benefit Act [*Ziektewet*]
- the participant ceased to be employed before the end of the waiting period for the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- the grounds for exclusion under the WIA apply.

#### 4.10 Maximum compensation

##### We will top up the income until no more than the qualifying income

A participant will have his foregone income topped up to no more than the qualifying income. Our calculation is based on the entire income. We may also request a participant for a copy of his income tax return. The participant must then give this to us.

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## Article 5 Insuring the waiver of premiums for old age and surviving dependants' pension

### 5.1 General

#### The waiver of premiums for old age and surviving dependants' pension is insured

This insurance is for employees who participate in a pension scheme. This refers to a pension scheme for an old age or surviving dependants' pension. If the fund is the policyholder, we mean the participants of that fund when referring to employees.

### 5.2 Purpose of the insurance

#### A participant will have his premiums waived if he is incapacitated

If a participant loses income due to incapacity for work, his old age and surviving dependants' pension premiums will be waived. We call this a premium waiver interest. That is the purpose of this insurance contract. A payout under this insurance must be used to pay for the relevant participant's pension facility.

### 5.3 Waiting period

#### The waiting period for premium waiver interest is no less than 104 weeks

This waiting period is the same as the waiting period under the WIA.

- a) If the waiting period for a WIA benefit is shorter, the participant will not receive an earlier payment from this insurance.
- b) If the waiting time under the WIA is longer (voluntarily), the participant will only receive a payment on the date on which the WIA benefit commences. He cannot receive an earlier payment through this insurance.

### 5.4 Start of payment

#### Payment starts as from the right to a WIA benefit

If a participant is entitled to a WIA benefit after the waiting period, he will also be entitled to payment of this insurance as from that same day.

#### Ensure that we receive a copy of the award decision

If we think that a participant is entitled to a full or partial waiver of premiums, we will comply with the UWV's award decision under the WIA. You or the fund will ensure that we receive a copy of it as soon as possible. The waiver has retroactive effect to 12 months before the date on which we receive the award decision.

### 5.5 Disbursement of premium waiver interest

#### We calculate premium waiver interest on an annual basis using this formula:

benefit rate x annual premiums to be waived

#### We use the benefit rates stipulated in the table for the purposes of calculation

This table shows which benefit rate applies in relation to the degree of incapacity. The extent of incapacity for work determines the benefit rate.

Extent of incapacity determined by the UWV	Benefit rate of the insured premium waiver interest
Less than 35%	0%
35 to 45%	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%
80 to 100%	100%

#### The annual premiums that are to be waived are equivalent to the annual premiums which are required for the pension facility

This refers to the insured annual premiums which are required to pay for the pension facility. In this respect, we act on the premium that applies on 1 January of the year in which the first day of illness occurs.

#### We do not always include an increase in entitlements

When we mention "entitlements" we mean the right to future benefits. If a participant receives premium waiver interest, we take account of an increase in entitlements only if it results from the age-related scale with accrual percentages.

### 5.6 Benefit in case of income

#### If an incapacitated participant has income, we work, like the UWV, on the degree of incapacity in practical terms.

We follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We pay in accordance with the percentages in the table in Article 5.5, but based on the practical incapacity percentage.

#### The participant must provide us with all information about his income

We consult the UWV's Status of Incapacity Benefit (SIB) to assess income data. We may also request a participant for a copy of his income tax return. The participant must then give this to us.

### 5.7 Your obligations and those of a participant (not in the case of reinsurance)

#### These are your and participants' obligations in case of incapacity for work

- a) You must cooperate in order to encourage the recovery and/or the reintegration of the incapacitated participant, for example, by adapting or changing the work activities. Do not do anything which stands in the way of the recovery or reintegration.
- b) Ensure that the UWV and/or expert service provides support to incapacitated participants during reintegration.
- c) Comply with the obligations laid down in the Working Conditions Act [*Arbowet*], the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*], the Dutch Civil Code [*Burgerlijk Wetboek*], the Sickness Benefits Act [*Ziektewet*] and the WIA.

## 5.8 Your obligations

### **You will provide us with all the information we need**

- a) Let us know if anything changes in the situation of the incapacitated participant, for example, if the participant's obligations under the WIA change. Send us all documents related to this.
- b) Let us know if the incapacitated participant recovers. It does not matter whether he has made a full or partial recovery. You should also let us know if the participant starts working again, including partially.
- c) If you are a self-insurer, let us know immediately if the UWV imposes fines or other measures on you or the incapacitated participant.

## 5.9 Participant's obligations

### **The incapacitated participant must cooperate in his recovery**

The participant must do his utmost to recover as quickly as possible. Everything he does must be focused on starting work again as soon as possible. He will therefore do nothing that stands in the way of the recovery or reintegration. The participant must also do the following:

- a) The participant must provide us with all the information we need, for example income data and all relevant benefit documents that he receives from the UWV. The participant must give us permission to share that information with experts we choose. The participant must also give us the authorisations we need.
- b) The participant must inform us immediately if he recovers. It does not matter whether he has made a full or partial recovery. He must also inform us immediately if he resumes his work (partially or otherwise).
- c) The participant must inform us immediately if he starts working more or less.
- d) The participant must inform us of any changes to his home address and/or his bank account number.

## 5.10 Change in incapacity for work

### **In the event of a change to the WIA benefit rate, the waiver of premium payments will also vary**

The waiver of premium payments will change on the date on which the WIA benefit rate alters. We will adjust the new rate, taking Article 5.13 into account.

## 5.11 No payment of premiums for this insurance in case of incapacity for work

### **A participant may obtain a waiver of premium payments**

If a participant receives a benefit under this insurance because he is incapacitated for work, you will either not have to pay any premiums or only a reduced premium for this participant. The percentages that apply to the waiver of premiums for this insurance are set out in the second column of the table in Article 5.5. The extent of incapacity for work determines the waiver of premium payments for this insurance.

## 5.12 Incapacity for work when the insurance contract is terminated

### **Incapacitated participants will continue to be insured if this insurance contract stops**

This applies only to participants whose first day of illness is within the contract period. Those participants will retain their waiver of premium payments even after the termination of the insurance contract. This is called run-off cover.

## 5.13 Waiver of premiums after termination of the insurance contract

### **A waiver of premiums after the insurance contract has been terminated is subject to the same rules**

- a) These benefits are no longer subject to any changes in the WIA. We act on the basis of the WIA applicable at the time when the insurance contract terminated.
- b) The obligations in these insurance terms and conditions continue to apply to incapacitated participants who receive a waiver of premiums.
- c) We only take changes in the WIA benefit rate into account if the benefit rate decreases, or if the premium waiver stops completely.

## 5.14 Measures taken by the UWV

### **A participant will receive no, or less, premium waiver interest in the case of any measure**

The UWV can impose a measure on a participant under the WIA or the Social Security Acts (Measures) Decree [*Maatregelenbesluit socialezekerheidswetten*]. If a measure is imposed, the participant will receive no, or a partial, WIA benefit. This would be the case, for example, if the relevant participant fails to comply with his reintegration obligations. We use the duration and extent of the measure imposed by the UWV as a basis, and also adjust the payment of the premium waiver interest accordingly.

## 5.15 End of the benefit payment

### **Payments of premium waiver interest will cease on:**

- a) the day on which entitlement to a WIA benefit ceases to apply;
- b) the date on which a measure is imposed on the participant under the WIA or the Social Security Acts (Measures) Decree. We also take account of the duration and extent of the measure;
- c) the day after the agreed date on which the relevant participant's cover expires. That expiry date is stipulated in the insurance contract;
- d) the date on which the participant dies.

### 5.16 No entitlement to premium waiver interest

#### A participant is not entitled to premium waiver interest if:

- a) the first day of illness falls before the date on which this insurance became applicable to the participant. In this respect we will have regard to Articles 5.1 and 5.2 of the general terms and conditions;
- b) you have not paid all of the premiums for this insurance until the time when the premium waiver comes into effect;
- c) the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
  1. the Dutch Civil Code [*Burgerlijk Wetboek*]
  2. the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]
  3. the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
  4. the Sickness Benefit Act [*Ziektewet*]
- d) the participant ceased to be employed before the end of the waiting period of the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- e) the grounds for exclusion under the WIA apply.

### 5.17 Maximum compensation

#### We will top up the income until no more than the qualifying income

A participant will have his foregone income topped up to no more than the qualifying income. Our calculation is based on the entire income.

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## Article 6 Insuring the WIA basic pension

### 6.1 General

#### The insured annual salary is insured

This insurance is for your employees. All employees must participate in the insurance. We use the insured annual salary as a basis.

### 6.2 Purpose of the insurance

#### A participant receives a benefit if he becomes partially incapacitated for work

If a participant loses income through partial incapacity for work, he will receive a benefit to supplement his income. That is the purpose of this insurance contract. This insurance pays out only if the participant is still 15% - 35% incapacitated for work after the waiting period, the insurance contract states which cover has been agreed.

### 6.3 Waiting period

#### The waiting period for the WIA basic pension is no less than 104 weeks

The waiting period for a WIA income shortfall insurance benefit is at least 104 weeks.

- a) If you receive the UWV decision before 104 weeks has passed, the participant will not receive an earlier payment from this insurance.
- b) If the waiting period is voluntarily longer, the participant will receive payment from this insurance only after the longer waiting period.

#### New period of illness and new waiting period for the WIA basic pension

If a participant recovers during the waiting period and then works all the hours under his employment contract for at least four consecutive weeks, the accrued waiting period lapses. If a participant subsequently becomes ill again, this counts as a new period of illness. The waiting period for the WIA basic pension is then 104 weeks again.

### 6.4 Start of the benefit entitlement

#### Entitlement to a WIA basic pension comes into effect 104 weeks after the first day of illness

The entitlement to payment of the WIA basic pension comes into effect 104 weeks after the first day of illness.

#### Ensure that we receive a copy of the UWV's decision

We comply with the UWV's decision under the WIA. Ensure that we receive a copy of this decision as soon as possible. Based on the decision, we assess whether a participant is entitled to a WIA basic pension.

### 6.5 WIA basic pension benefit

#### We calculate a WIA basic pension on an annual basis using this formula:

$$A \times B$$

A: Benefit rate

B: Insured salary

### Benefit rate

The extent of incapacity for work determines the benefit rate. This table shows which benefit rate applies in relation to the degree of incapacity.

Degree of incapacity determined by the UWV	Benefit rate of the insured WIA basic pension
Less than 15%	0%
15 to 35%	20%
35% or more	0%

### Insured annual salary

You will find the insured salary (or part of it) in your insurance contract. In this respect, we act on the basis of the salary that applies on 1 January of the year in which the first day of illness occurs.

#### 6.6 Waiver of premium payments

##### A participant receives a waiver of premium payments in case of incapacity for work

If a participant receives a benefit under this insurance, he need not pay any premiums for this insurance. This applies for the entire period of the benefit.

#### 6.7 End of the benefit payment

##### Payment of a WIA basic pension will stop on:

- the date on which a participant is 0%–15% incapacitated for work in accordance with the UWV's determination;
- the date on which a participant is 35%–100% incapacitated for work in accordance with the UWV's determination;
- the date on which a measure is imposed on the participant under the WIA or the Social Security Acts (Measures Decree). We also take account of the duration and extent of the measure;
- the day after the agreed termination age for the benefit or the maximum benefit period. That expiry date is stipulated in the insurance contract;
- the date on which the participant dies.

#### 6.8 No entitlement to the benefit

##### A participant is not entitled to a benefit if:

- the first day of illness falls before the date on which this insurance became applicable to the participant. We take account of Articles 5.1 and 5.2 of the general terms and conditions governing incapacity for work for this purpose;
- you have not paid all of the premiums for this insurance until the time when the WIA basic pension commences;
- the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
  - the Dutch Civil Code [*Burgerlijk Wetboek*]
  - the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]
  - the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
  - the Sickness Benefit Act [*Ziektewet*]
- the participant ceased to be employed before the end of the waiting period of the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- the grounds for exclusion under the WIA apply.

#### 6.9 Maximum compensation

##### We will top up the income until no more than the qualifying income

A participant will have his foregone income topped up to no more than the qualifying income. Our calculation is based on the entire income. In some cases we ask for a copy of his income tax return. The participant must then give this to us.

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## Article 7. Insuring the WIA basic pension variable

### 7.1 General

#### The insured annual salary is insured

This insurance is for your employees. All employees must participate in the insurance. We use the insured annual salary as a basis.

## 7.2 Purpose of the insurance

### A participant receives a benefit if he becomes partially incapacitated for work

If a participant loses income through partial incapacity for work, he will receive a benefit to supplement his income. That is the purpose of this insurance contract. This insurance pays out only if the participant is still 15% - 35% incapacitated for work after the waiting period, the insurance contract states which cover has been agreed.

## 7.3 Waiting period

### The waiting period for the WIA basic pension is no less than 104 weeks.

The waiting period for a WIA income shortfall insurance benefit is at least 104 weeks.

- If you receive the UWV decision before 104 weeks has passed, the participant will not receive an earlier payment from this insurance.
- If the waiting period is voluntarily longer, the participant will receive payment from this insurance only after the longer waiting period.

### New period of illness and new waiting period for the WIA basic pension

If a participant recovers during the waiting period and then works all the hours under his employment contract for at least four consecutive weeks, the accrued waiting period lapses. If a participant subsequently becomes ill again, this counts as a new period of illness. The waiting period for the WIA basic pension is then 104 weeks again.

## 7.4 Start of the benefit entitlement

### Entitlement to a WIA basic pension comes into effect 104 weeks after the first day of illness

The entitlement to payment of the WIA basic pension comes into effect 104 weeks after the first day of illness.

### Ensure that we receive a copy of the UWV's decision

We comply with the UWV's decision under the WIA. Based on the decision, we assess whether a participant is entitled to a WIA basic pension. Ensure that we receive a copy of this decision as soon as possible.

## 7.5 WIA basic pension benefit

### WIA basic pension with a variable benefit rate

We calculate the WIA basic pension on an annual basis using this formula:

$$A \times B$$

A: Benefit rate

B: Insured salary

### Benefit rate

The extent of incapacity for work determines the benefit rate. This table shows which benefit rate applies in relation to the degree of incapacity.

Degree of incapacity determined by the UWV	Benefit rate of the insured WIA basic pension
Less than 15%	0%
15%–35%	extent of incapacity for work = benefit rate
35% or more	0%

### Insured annual salary

You will find the insured salary (or part of it) in your insurance contract. In this respect, we act on the basis of the salary that applies on 1 January of the year in which the first day of illness occurs.

## 7.6 Waiver of premium payments

### A participant receives a waiver of premium payments in case of incapacity for work

If a participant receives a benefit under this insurance, the participant does not have to pay any premium for this insurance. This applies for the entire period of the benefit.

## 7.7 Temporary benefit

### The WIA basic pension pays a temporary pension

The duration of the benefit is between one and ten years at most and is specified in the insurance contract. The term starts from the beginning of the benefit. If a participant is entitled to a WGA benefit during the term, and subsequently reverts to an incapacity percentage between 15% and 35%, there is a break in the payment of this insurance, but no break in the term of the benefit.



## 7.8 End of the benefit payment

### Payment of a WIA basic pension will stop on:

- a) the date on which a participant is 0%–15% incapacitated for work in accordance with the UWV's determination;
- b) the date on which a participant is 35%–100% incapacitated for work in accordance with the UWV's determination;
- c) the date on which a measure is imposed on the participant under the WIA or the Social Security Acts (Measures) Decree. We also take account of the duration and extent of the measure;
- d) the day after the agreed term of the benefit;
- e) the date on which the participant dies.

## 7.9 No entitlement to the benefit

### A participant is not entitled to a benefit if:

- a) the first day of illness falls before the date on which this insurance became applicable to the participant. We take account of Articles 5.1 and 5.2 of the general terms and conditions governing incapacity for work for this purpose;
- b) you have not paid all of the premiums for this insurance until the time when the WIA basic pension commences;
- c) the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
  1. the Dutch Civil Code [*Burgerlijk Wetboek*]
  2. the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]
  3. the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
  4. the Sickness Benefit Act [*Ziektewet*]
- d) the participant ceased to be employed before the end of the waiting period of the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- e) the grounds for exclusion under the WIA apply.

## 7.10 Maximum compensation

### We will top up the income until no more than the qualifying income

A participant will have his foregone income topped up to no more than the qualifying income. Our calculation is based on the entire income. In some cases we ask for a copy of his income tax return. The participant must then give this to us.

### *Disclaimer*

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