

Occupational Income Protection flex

Reinsurance of a pension promise in the framework of a company pension scheme

- Contract information
- Cancellation policy
- Explanation of specialist terms used
- General insurance conditions for Occupational Income Protection flex (T&C's)
- Information on data protection / declaration of consent
- Tax information

Issue 10.2018

Preliminary note

This document is a non-binding convenient translation of the German original general terms and conditions (Betriebliche Einkommenssicherung flex) which you may acknowledge having received together or alongside with this English version. In any case of discrepancy between the German and the English version as well as in any case of disputes arising in connection with the meaning of certain terms, the German version shall prevail. Only the German version will be legally binding.

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Contract details

The Ordinance on Information Obligations in Insurance Contracts (VVG-Informationspflichtenverordnung - VVG-InfoV) regulates the information to be provided to the policyholder by the insurance company. In accordance with § 1 VVG-InfoV, Elips Life AG, Triesen, Zweigniederlassung Deutschland (hereinafter also referred to as "Elips Life AG" or "elipsLife") first informs the policyholder about the following points:

1. Identity of the insurer

Headquarters of Elips Life AG: Landstrasse 40, 9495 Triesen, Liechtenstein
Legal form: Limited company under Liechtenstein law
Register number: FL-0002.304.360-5, Register Court Vaduz

Elips Life AG, Triesen, Zweigniederlassung Deutschland (Branch Office Germany)
Im Mediapark 8
50670 Köln
Headquarters: Köln
Registration number: HRB 86744, District Court Cologne

2. Identity of a representative of the insurer in the member state of the European Union

Elips Life AG, Triesen, Zweigniederlassung Deutschland (Branch Office Germany)
Im Mediapark 8
50670 Köln
General representative: Lucas Müller

3. Summonable address of the insurer

Elips Life AG, Triesen, Zweigniederlassung Deutschland (Branch Office Germany)
Im Mediapark 8
50670 Köln
General representative: Lucas Müller

4. The main business activity of the insurer

The main business activity of Elips Life AG is the life insurance business. ElipsLife specialises in the insurance of biometric risks and exclusively offers insurance products to cover disability and death.

5. Guarantee funds or other compensation schemes

Elips Life AG is not a member of the guarantee fund. As a Liechtenstein based insurance company, however, elipsLife is subject to the strict solvency requirements of the European Union (Solvency II).

6 Essential features of the insurance benefit

Disability benefit (if insured):

This insurance is disability insurance (hereinafter referred to as "disability benefit").

The insurance covers the occurrence of disability resulting from a complete or partial reduction in the working capacity of a life assured for health reasons after expiry of an uninterrupted minimum period of reduction in working capacity agreed in the section "Benefits" of the insurance application. elipsLife pays a disability benefit in the event of a complete or partial reduction in working capacity.

Death benefit (if insured):

The insured risk is death. In the event of the death of a life assured, elipsLife pays a death benefit.

The benefits to be insured are listed in the section "Benefits" of the insurance application.

Details of the benefits are regulated by the general insurance terms and conditions for the product Occupational Income Protection flex (hereinafter also referred to as "T&C's").

7. Total price of the insurance including all taxes and other price components.

Information on the provisional and final premium is provided in the section "Premium" of the insurance application and in the section A clause 9 of the T&C's.

8. Additional costs, if applicable

Additional costs, taxes or fees that are not paid or invoiced by elipsLife are not incurred.

9. Details of the contribution

Before the commencement of the insurance contract, elipsLife determines the premium rate for calculating the preliminary premium on the basis of the policyholder's details of the group of insured persons in an inventory list. The premium to be paid is therefore initially based on the data reported for the duration of the insurance contract and is subsequently determined after the end of the insurance contract on the basis of the actual data (final premium). Information on this can be found in section A, clause 9 of the T&C's.

10. The period of validity of the information provided

The insurance application is for a limited period. The period of validity is stated in section "Application data" of the insurance application.

11 Specific risks of financial services

The insurance is not unit-linked. There are therefore no specific capital market risks.

12. Conclusion of the insurance contract

The insurance contract is concluded with the acceptance of the insurance application by elipsLife. Insurance cover commences on the date of commencement of the insurance contract specified in the section "Contract Data" of the insurance application. The obligation of elipsLife to pay benefits can be cancelled if the first contribution is not paid in time. For more information, see section A, clause 5 of the T&C's.

13. Right of withdrawal

The information on this is listed in the chapter "Cancellation Policy".

14. The duration and, where appropriate, the minimum duration of the contract.

The duration of the insurance contract is the period between the beginning and the end of the insurance contract and is listed in the section "Contract data" of the insurance application.

15. Termination of the contract, in particular contractual termination conditions including any contractual penalties

The regulations for the termination of the insurance contract are listed in Section A, clause 5 of the T&C's.
The insurance contract cannot be terminated by the policyholder before the end of the insurance contract.

16. Applicable law

The law of the Federal Republic of Germany shall apply to the initiation of the contract and the contractual relationship.

17 Contract language

The contract language is German.

18. Out-of-court complaint body/complaint to the supervisory authority

There is no extrajudicial complaints office. elipsLife is not a member of the German Insurance Ombudsman.

With a complaint, the policyholder can contact the following address:

Elips Life AG, Triesen, Zweigniederlassung Deutschland (Branch Office Germany)
Im Mediapark 8
50670 Köln
email: compliance@elipslife.com
Phone: +49 221 2065 4003

In addition, the policyholder has the option of lodging a complaint with the supervisory authorities listed below at any time:

Finanzmarktaufsicht Liechtenstein (Financial Market Authority Liechtenstein)
Landstrasse 109
Postfach 279
9490 Vaduz
Liechtenstein

Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin - Federal Financial Supervisory Authority)
Graurheindorfer Straße 108
53117 Bonn
Deutschland

This does not affect the possibility for the policyholder to take legal action.

Further information to the complaint handling, in particular to the practiced complaint procedure of elipsLife, is under www.elipslife.com/de/deu/Legal/Legal-Notes.

In addition, elipsLife as a life insurance company informs as follows in accordance with § 2 VVG-InfoV:

1. The amount of the costs for the mediation and the conclusion of the contract, unless these are invoiced separately

Information on this is given in the section "Costs" of the insurance application.

2. Possible miscellaneous costs, in particular costs that may arise once or for a special reason

Possible miscellaneous costs are not charged by elipsLife.

3. Calculation principles and standards applicable to the calculation and participation of surpluses

This insurance contract does not provide for participation in surpluses.

4. Surrender values

This insurance contract does not provide for surrender values.

5. Minimum insurance amount for conversion into a paid-up or reduced-contribution insurance and benefits from paid-up or reduced-contribution insurance

This insurance contract cannot be converted into a paid-up or reduced-contribution insurance contract.

6. The extent to which the benefits referred to in points 4 and 5 are guaranteed.

No surrender values, paid-up or reduced-contribution benefits are provided. Therefore, no information on related guarantees is possible.

7. The funds on which the insurance is based and the type of assets contained therein (in the case of unit-linked insurance policies).

This insurance contract is not based on funds.

8. Tax rules applicable to this type of insurance.

The information on this can be found in the tax information.

Cancellation policy

The right of withdrawal

You can revoke your contractual declaration within 30 days in text form (for example letter, fax, email) without giving reasons. The period begins after you have received the insurance policy certificate, the contractual provisions including the general insurance terms and conditions for Occupational Income Protection flex (T&C's), further information in accordance with § 7 paras. 1 and 2 of the Insurance Contract Act (VVG) in conjunction with §§ 1 to 3 of the VVG Obligation to Supply Information (VVG-InfoV) and this instruction in text form. The timely dispatch of the revocation is sufficient to comply with the cancellation period. The revocation is to be addressed to:

Elips Life AG, Triesen, Zweigniederlassung Deutschland (Branch Office Germany)
Im Mediapark 8
50670 Köln
email: kontakt.de@elipslife.com
Fax: +49 221 2065 4009
Please indicate the insurance policy number in your declaration of revocation.

Cancellation consequences

In the event of an effective cancellation, the insurance cover ends and Elips Life AG will reimburse the policyholder for the part of the premium attributable to the period after receipt of the cancellation, if the policyholder has agreed that the insurance cover begins before the end of the cancellation period. In this case, Elips Life AG is entitled to withhold the portion of the premium attributable to the period until receipt of the revocation; this is an amount of 1/365 of the premium payable for one year per day between the commencement of the insurance cover and receipt of the declaration of revocation. The reimbursement of amounts to be repaid shall take place immediately, at the latest 30 days after receipt of the revocation.

If the insurance cover does not begin before the end of the cancellation period, the effective cancellation has the consequence that received benefits are to be returned and benefits drawn (e.g. interest) are surrendered.

Special instructions

The policyholder's right of withdrawal expires if, at the express request of the policyholder, both the policyholder and Elips Life AG have completely fulfilled the contract before the policyholder has exercised his right of withdrawal.

End of the cancellation policy

Explanation of technical terms used

Below you will find brief explanations of some technical terms used in the general insurance terms and conditions for the Occupational Income Protection flex (T&C's) in order to facilitate reading the (T&C's). These explanations are not conclusive. The content of the insurance contract is also governed by the provisions of the following (T&C's).

Act wilfully and knowingly

To act wilfully and knowingly, anyone who wants to achieve a certain goal, knows the circumstances of his actions and consciously accepts the consequences.

Benefit end age

The disability benefit is paid at the latest until the end of the month in which the respective insured person reaches the agreed benefit end age, or - if the latter dies beforehand - until the end of the month after the death of the respective insured person. If a disability benefit is insured, the age at which benefits are payable is listed in the section "Benefits" of the policy certificate.

Benefit entitlement

An entitlement refers to the fulfilment of the policyholder's claim in the event of a claim.

Detailed information can be found in sections B and C of the T&C's. The insured benefits for which elipsLife provides insurance cover are listed in the section "Benefits" of the policy certificate.

Benefit term for the work capability reduction

The term work capability reduction defines the conditions for a disability benefit which must be fulfilled by an insured person in order to receive a benefit from elipsLife.

When concluding the insurance contract, the policyholder can choose one of the following benefit terms for work capability reduction for each group of persons to be insured:

- a. Occupational disability with renunciation of abstract referral (taking into account the last profession practised and after the start of the reduction in work capacity of a new job);
- b. Occupational disability with the right to abstract referral (taking into account the last profession practised and, after a reduction in working capacity has occurred, also a possible similar profession) or
- c. Disability (taking into account the usual professional activities on the labour market).

Detailed information on the benefit type can be found in section A, clause 1.2 of the T&C's. The agreed concept of labour reduction is - if a disability benefit is insured - listed in the section "Benefits" of the policy certificate.

Benefit type

When concluding the insurance contract, the policyholder can choose between the following benefit types for the disability benefit for each group of persons to be insured; a combination of the benefit types is also possible:

- a. Benefit in the form of a monthly annuity or
- b. Benefit in the form of a lump-sum payment.

A lump-sum payment can only be selected if the minimum duration of the reduction in working capacity (see explanation below) is 18 months.

Detailed information on this can be found in Section B, clause 1.1 of the T&C's. The agreed type of benefit - if a disability benefit is insured - is listed in the section "Benefits" of the policy certificate.

Claim

The claim is the event (reduction in labour or death) which may give rise to the insurer's obligation to pay benefits if it occurs during the term of the insurance contract and all the conditions set out in these T&C's are fulfilled.

Duration of the insurance contract

The duration of the insurance contract is the period between the beginning and end of the insurance contract during which the insured event must occur so that a claim for benefits can arise.

Detailed information on this can be found in Section A, clause 5.2 of the T&C's. Details of the beginning and end of the insurance contract are listed in the section "Contract data" of the policy certificate.

End of the insurance contract

The end of the insurance contract documents the end of the insurance cover and is listed in the section "Contract data" of the policy certificate.

Detailed information on this can be found in Section A, clause 5.2 of the T&C's.

Entitlement to benefits

The claim is deemed to exist after recognition of the obligation to pay benefits and fulfilment of all requirements in accordance with these T&C's after the occurrence of an insured event.

Explanatory notes

Explanatory notes are declarations of intent or knowledge which may have a legal character; for example with regard to rescission, termination, liability for insurance benefits, reminder and/or revocation.

Fraudulent intent

Fraudulent intent means that the policyholder or an insured person intentionally deceives elipsLife. Example: The policyholder or an insured person deliberately provides false information in order to receive benefits under the contract.

Group of insured persons

The group of insured persons is the total of all insured persons of the policyholder.

Detailed information on this can be found in section A, clause 2 of the T&C's. The group of insured persons is listed in section "Benefits" of the insurance policy.

Immediately

Immediately does not necessarily mean "immediately", but "without culpable hesitation".

Insurance end age

The insured benefits are covered for the duration of the insurance contract until the end of the month in which the respective insured person reaches the agreed end of the insurance period, but at the latest – if this person dies beforehand – until the death of the respective insured person.

Detailed information on leaving the group of insured persons can be found in section A, clause 2.4 of the T&C's. The final insurance age is listed in the section "Benefits" of the policy.

Insured person

An insured person is a person on whose life the insurance is taken out.

Insurance policy

The insurance policy documents an insurance contract that has been concluded. It contains important data on the insurance contract, such as the insured benefits and the start and end dates of the insurance contract.

Inventory

In addition to the benefits to be insured, the inventory contains all the data of the persons to be insured or insured required to calculate the premium. Detailed information on this can be found in Section A, clause 2.1 of the T&C's.

Life assured

Persons to be insured are those for whom the policyholder applies for insurance cover.

Medical underwriting

If the conclusion of the insurance contract is requested, elipsLife checks the risk of the persons to be insured. For example, the information on age as well as occupation and, if applicable, the current state of health are taken into account. On this basis elipsLife decides whether and in which form the insurance application can be accepted.

Detailed information on this can be found in section A, clause 3 of the T&C's.

Minimum degree of labour reduction

The degree of reduction in labour determined in the elipsLife benefit test determines whether and in what amount a benefit is paid in the event of a benefit claim.

When concluding the insurance contract, the policyholder can choose between different minimum degrees of reduction in labour (minimum degree of reduction in labour to be achieved) for each group of persons to be insured, which is necessary for the entitlement to a full or partial disability benefit (this option does not apply to the benefit concept of disability):

- a. Performance scale 25/75
Minimum degree of labour reduction for full disability benefit: 75%.
Minimum degree of labour reduction for partial disability benefit: 25%.
elipsLife does not provide any benefits if the reduction in work is less than 25 %.
- b. Performance scale 33/66
Minimum degree of labour reduction for full disability benefit: 66
Minimum degree of labour reduction for partial disability benefit: 33
elipsLife does not provide any benefits if the reduction in work is less than 33%.
- c. Performance scale 0/50
The policyholder may also request that the full disability benefit be paid from a minimum reduction in labour of 50% in relation to the last professional activity carried out. In this case, elipsLife does not provide any benefit if the reduction in work is less than 50%.

The agreed minimum degree of labour reduction - provided that a disability benefit is insured - is listed in the section "Benefits" of the insurance policy.

Minimum duration of reduction in work capability

Entitlement to benefits from the disability benefit only exists if an insured person is continuously reduced in his capability to work for at least a certain period of time. When concluding the insurance contract, the policyholder can choose between the following minimum periods of reduction in working capacity for each group of persons to be insured:

- a. 6 months or
- b. 18 months.

The agreed minimum duration of the reduction in working capacity - provided that a disability benefit is insured - is listed in the section "Benefits" of the policy certificate.

Negligence

Negligence means that the care required is not exercised.

Gross negligence means that the necessary care is not observed to a special degree. In other words, no attention was paid to what should have been clear to everyone.

Notification requirements

The notification requirements are so-called obligations. Obligations are requirements, the fulfilment of which elipsLife cannot claim. Failure to do so, however, jeopardises insurance cover wholly or in part and can lead to a loss of rights or in any case to insurance benefits not being paid. Quick fulfilment of the notification requirements accelerates elipsLife's inquiries and leads to a benefit decision as early as possible.

Detailed information on this can be found in Section A, clause 10, Section B, clauses 3 and 7, and Section C, clause 3 of the T&C's.

Policyholder

The policyholder is the contractual partner of elipsLife. The rights and obligations under this contract primarily concern the policyholder.

Premium

Preliminary annual premium: At the beginning of the insurance contract, a preliminary annual premium is to be paid on the basis of the inventory provided by the policyholder for the persons to be insured as an advance payment.

The provisional premium for the insurance contract is listed in the section "Premium" of the policy certificate.

Final annual premium: After the end of the insurance contract, the final annual premium is determined on the basis of the persons actually insured and the benefits insured for them. The difference between the provisional and the final annual premium will be invoiced or credited to the policyholder.

Detailed information on the contribution can be found in section A, clause 9 of the T&C's.

Referral

Abstract referral:

Depending on the agreed concept of reduced work, elipsLife can also check whether the respective insured person could also perform another activity in addition to the professional activity carried out when the reduced work occurs.

Specific referral:

elipsLife can check whether the respective insured person actually pursues a new professional activity after the reduction in working capacity has occurred. If necessary, the entitlement to benefits decreases or expires upon referral.

Detailed information can be found in clause 1 of Section B of the T&C's.

Start of the benefit entitlement period

When the benefit entitlement period is agreed, the beginning of the benefit period determines as a pension when the earliest entitlement to an occupational income protection pension can arise after the minimum period of reduction in working capability (see explanation below).

The policyholder can choose the start of the benefit period for each group of persons to be insured when concluding the insurance contract:

- a. After expiry of the minimum period of reduction in work capability or
- b. After expiry of the statutory continued payment of remuneration.

Detailed information on this can be found in Section B, clause 6.1 of the T&C's. The agreed start of the benefit period is provided an occupational income protection pension is insured - is listed in the section "Benefits" of the policy certificate.

Start of the insurance contract

The commencement of the insurance contract documents the commencement of the insurance cover and is listed in the section "Contract data" of the policy certificate.

Detailed information on this can be found in Section A, clause 5.1 of the T&C's.

T&C's

This refers to the present general insurance terms and conditions for the occupational income protection flex.

Text form

If text form is provided, the declaration must be submitted by the policyholder by letter, fax or email.

VVG (Versicherungsvertragsgesetz)

Insurance Contract Act

Work capability reduction

A reduction in work capability refers to the total or partial disability of an insured person.

Detailed information on this can be found in Section B, clause 1 of the T&C's.

General Insurance Conditions for Occupational Income Protection flex (T&C's)

A. General Part

1. Who are the contracting parties?

This insurance contract is concluded between the policyholder and Elips Life AG, Triesen, Zweigniederlassung Deutschland (hereinafter "elipsLife"). The insured persons (the persons on whose lives the insurance is taken out) are not party to this contract. Written and verbal agreements between the policyholder and the insured persons which go beyond or modify the agreements in the insurance contract are not binding for elipsLife.

2. What is the insured group of persons?

With the product "betriebliche Einkommenssicherung flex" elipsLife offers insurance cover for one or more insured persons. These are described in detail in the section "Benefits" of the policy.

2.1 Inventory list

Prior to the conclusion of the insurance contract, the policyholder shall provide a list of the benefits to be insured and the information on the persons to be insured per group of persons to be insured which is necessary for the calculation of the premium in accordance with clause 9. In the list, for example, the following data of the persons to be insured is queried:

- a. Date of birth,
- b. Gender,
- c. Job title in the company and
- d. Gross annual salary (if the insured benefits are agreed on the basis of the insured salary in accordance with clause 6.1) or
- e. Total insured fixed sums (provided that the insured benefits are agreed as a fixed sum in accordance with clause 6.1).

elipsLife is entitled to check the data and to demand appropriate inspection of relevant documents (e.g. payrolls).

2.2 Assignment to the insured group of persons at the beginning of the insurance contract

2.2.1 General requirements for insurance cover

Persons to be insured, for whom data is reported in the inventory list in accordance with clause 2.1, are only included in the group of persons insured if the conditions listed below are fulfilled:

Subject to the result of any individual medical underwriting to be carried out in accordance with clause 3, all persons to be insured for whom insurance cover is applied for by the policyholder and who are insured at the beginning of the insurance contract are insured.

- a. receive the full salary agreed in the employment contract,
- b. perform the activity described in the employment contract for the agreed working time,
- c. are basically subject to the social security system of the Federal Republic of Germany and
- d. have not yet reached the agreed insurance end age – maximum 67 years of age.

A death benefit can also be insured after reaching the standard age limit, provided that the persons to be insured fulfil the other above criteria of letters a to c.

For example, a life assured does not receive the full contractually agreed salary within the meaning of these T&C's if he or she is in inactive employment (e.g. parental leave or sabbatical).

For example, a life assured does not carry out the activity agreed in the employment contract if he or she is in passive partial retirement (release phase) or is exempt from the activity described in the employment contract.

Persons to be insured, for whom the insurance contract provides for an individual health check in accordance with clause 3, only belong to the group of insured persons with the express declaration of acceptance by elipsLife in text form.

2.2.2 Limited insurance cover

Persons to be insured who, for health reasons, are unable to fully carry out the activity agreed in the employment contract also belong to the insured group of persons if they still receive a statutory continued remuneration from their employer.

However, no insurance cover exists for these insured persons if the cause of the insured event is causally attributable to the same basic illness which already existed when the insured group of persons entered and which is decisive for the insured event.

If the activity agreed in the employment contract can actually be carried out for at least 30 days without interruption in accordance with the employment contract after termination of the statutory continued remuneration payment by the employer of the respective insured person at a later date due to an improved state of health of the respective insured person, full insurance cover exists after expiry of this period, unless this is generally limited according to an individual medical underwriting in accordance with clause 3.2.

2.2.3 Exclusion of persons to be insured from the group of persons insured

Persons not included in the group of insured persons within the meaning of these T&C's are to be insured,

- a. for which the statutory continued payment of remuneration due to permanent illness is terminated at the commencement of insurance cover;
- b. who do not receive insurance cover as part of an individual medical underwriting in accordance with clause 3.

The reasons for the basic exclusion of insurance cover can be found in clause 7.

2.3 Entry into the insured group of persons during the term of the insurance contract

2.3.1 New persons to be insured

Newly insured persons automatically join the respective group of insured persons for the duration of the insurance contract (without express notification from the policyholder), provided that they fulfil the requirements in accordance with the provisions in clause 2.2.

2.3.2 Termination of a suspended employment relationship

Persons to be insured whose inactive employment relationship (parental leave, sabbatical or comparable status) has ended, automatically join the respective group of insured persons during the term of the insurance contract, provided that they meet the requirements in accordance with the provisions in clause 2.2.

2.3.3 Resumption of the agreed activity

Persons to be insured who at the commencement of the insurance contract did not belong to the insured group of persons because they have fallen outside the statutory continued payment of remuneration due to illness, in accordance with clause 2.2.3 letter a, and, as a result of an improved state of health, have actually resumed the activity agreed in the previous employment contract for at least 30 days without interruption, and have received the full salary agreed in the employment contract, also automatically belong to the respective insured group of persons after expiry of the period.

2.3.4 Significant change in the insured group of persons

An initial change of more than 20% in the number of insured persons compared to the portfolio list in accordance to clause 2.1 during the term of the contract represents a significant change and must be communicated to elipsLife immediately by means of a new inventory list (see also clause 10.2.).

2.4 Withdrawal from the group of insured persons during the term of the insurance contract

An insured person leaves the group of insured persons for an insured benefit in the following cases:

- a. after termination of the employment relationship by notice or after other amicable termination of the employment relationship or after release from work;
- b. with the start of parental leave, passive partial retirement (exemption phase), a sabbatical or a comparable status (in these cases insurance cover still exists for a further three months from the start of parental leave, passive partial retirement, sabbatical or comparable status);
- c. at the end of the month following completion of the agreed final insurance age;
- d. after termination of membership of the social security system of the Federal Republic of Germany;
- e. after death.

2.5 Test in case of a claim

In the event of a claim, elipsLife checks whether the respective insured person belongs to the group of insured persons, whereby it is the policyholder's responsibility to provide the corresponding proof.

3. In which cases is medical underwriting carried out?

3.1 Limit for individual medical underwriting

elipsLife offers insurance cover without an individual medical underwriting of the persons to be insured if the insured salary of the respective person to be insured in accordance with clause 6.1 letter a or the fixed sum in accordance with clause 6.1 letter b does not exceed the limit for the individual medical underwriting specified in the section "Benefits" of the insurance policy.

If this limit is exceeded, an individual medical underwriting is required for the respective person to be insured.

The insurance cover for the respective person to be insured shall only apply in accordance with the declaration of acceptance issued in text form by elipsLife after the examination. This also applies to the income portion that does not exceed the limit. If no insurance cover can be provided for the respective person to be insured, this person does not belong to the group of insured persons in accordance with clause 2. This provision also applies if the respective person to be insured fails to complete the necessary individual medical underwriting.

3.2 Individual medical underwriting

3.2.1 When the insurance contract is concluded

The policyholder reports to elipsLife all persons to be insured for whom the salary to be insured or the fixed sum to be insured exceeds the agreed limit for the individual medical underwriting in accordance with clause 6.1, with the name and address. elipsLife arranges the

medical underwriting directly with each of these persons to be insured. elipsLife will communicate the result of the individual medical underwriting to the life assured in text form. Furthermore, elipsLife informs the policyholder in text form without stating the medical reasons according to clause 2.2.1 whether and with which premium surcharges or exclusions the persons to be insured can be insured.

3.2.2 During the term of the insurance contract

The regulation on individual medical underwriting set out in clause 3.2.1 also applies to persons to be insured who are to be included in the group of insured persons for the duration of the insurance contract with a salary to be insured or a fixed sum to be insured above the agreed limit for individual medical underwriting.

This also applies if the insured salary of an already insured person exceeds the agreed limit for the individual medical underwriting for the duration of the insurance contract due to an adjustment of income. Insured persons with a salary adjustment of less than 20% - but a maximum salary increase of 50,000 euros per year - do not need to be re-examined. If the salary adjustment exceeds these limits, elipsLife must be notified of the increase in income of the policyholder in accordance with clause 10.3.

If medical underwriting when the above limits are exceeded shows that an insured person would no longer be insurable the insurance cover remains in the previous amount. However, a future increase in benefits for this insured person is excluded.

3.3 Costs of the medical underwriting

elipsLife bears the costs for medical examinations or additional medical evidence, which are arranged within the scope of elipsLife's medical underwriting.

4. What does the pre-contractual disclosure obligation mean and what are the consequences of their violation?

4.1 Disclosure obligations

The policyholder is obliged to report truthfully and completely all risk-relevant circumstances known to him, after which elipsLife has asked in text form, until the submission of his contract declaration. The circumstances which are significant for elipsLife's decision to conclude the insurance contract with the contents agreed in the insurance application are substantial. The policyholder is obliged to notify elipsLife if elipsLife asks for the circumstances relevant to the risk after its contractual declaration, but before acceptance of the contract in text form.

If a person other than the policyholder is insured, he is responsible, in addition to the policyholder, for the truthful and complete notification of the circumstances relevant to the risk and for answering the questions asked in text form. elipsLife will additionally inform and instruct these persons in the respective case.

If a representative acts on behalf of the policyholder and he is aware of the dangerous circumstance or if he acts fraudulently, the policyholder is treated as if he himself had been aware of it or had fraudulently concealed the circumstance.

4.2 Disadvantageous legal consequences of breaches of disclosure obligations

The consequences of a violation of the duty of disclosure result from §§ 19 to 22 VVG. Under the conditions stated there, elipsLife can withdraw from the insurance contract, cancel the insurance contract, challenge the insurance contract due to fraudulent deception or be entitled to change the insurance contract. elipsLife is only entitled to the rights mentioned, which may lead to the release from the obligation to perform, if elipsLife has informed the policyholder or the respective persons to be insured in text form of the consequences of a breach of the duty to disclose.

If elipsLife makes use of one of these rights with regard to a life assured, the legal consequences only extend to this person, not to the insurance cover in all other respects.

We waive our rights under § 19 VVG to amend the contract and terminate the contract if the breach of duty of disclosure has occurred through no fault of our own.

4.3 Special right of termination of the policyholder in the event of a contract adjustment

If elipsLife increases the premium by more than 10% or excludes the risk insurance for an undisclosed circumstance within the scope of a contract amendment, the policyholder can terminate the insurance contract in accordance with § 19 paragraph 6 VVG.

4.4 Extension of benefits, restoration of insurance

The above provisions shall apply accordingly if the insurance cover is subsequently extended or reinstated and new medical underwriting is therefore carried out.

5. When does the insurance contract begin and end?

5.1 Start of the insurance contract

The commencement of the insurance contract is listed in section "Contract date" in the insurance policy. If the agreed first or single premium is not paid in time in accordance with paragraph 9.4, elipsLife is entitled to withdraw from the insurance contract as long as its payment is

not effected, unless the policyholder is not responsible for the non-payment. If the agreed premium has not been paid in time in accordance with paragraph 9.4 until an insured event occurs, elipsLife is not obliged to pay benefits, unless the policyholder is not responsible for the non-payment.

5.2 Duration and termination of the insurance contract

The insurance contract ends with the end of the insurance contract specified in section "Contract data" of the insurance policy.

The insurance contract ends with immediate effect

- a. with transfer of the registered office of the policyholder to a country outside the Federal Republic of Germany - something else applies only if the insurance relationship is continued on the basis of an agreement with elipsLife to be requested by the policyholder at elipsLife before the transfer of the registered office, which requires the text form;
- b. with cessation of the business activity of the policyholder;
- c. upon dissolution or termination of the policyholder's company - irrespective of the reasons which caused the dissolution or termination.

At the end of the insurance contract, all mutual obligations arising from the insurance contract expire, with the exception of obligations

- a. from current pension payments for labour reduction;
- b. from claims that have already been reported but not yet conclusively examined;
- c. from claims that have already occurred but have not yet been reported;
- d. from insured events for which a reduction in labour began during the term of the insurance contract but the minimum duration of the reduction in labour only expired after the end of the insurance contract;
- e. from contributions which have not yet been paid on the day of termination of the contract (this also includes contributions for which an invoice will only be issued after the final calculation);
- f. of the policyholder to provide the information necessary to calculate the final premium.

6. Which services does elipsLife provide?

6.1 General information

The Occupational Income Protection flex offers insurance cover in the event of a partial or complete reduction in labour (disability benefit) as well as death (death benefit) of an insured person to the agreed extent. The respective cover can be modularly composed of these covers by the policyholder.

The policyholder can choose the amount of benefits when concluding the insurance contract

- a. depending on the insured salary per insured person (percentage of the insured salary) or
- b. as a fixed sum.

The reference value for the benefits is listed in the section "Benefits" of the policy.

6.2 Insured salary

The insured salary in accordance with clause 6.1 letter a is the gross annual salary (fixed salary) guaranteed under the employment contract for each insured person, which the respective insured person received before a reduction in labour or death. Changes in fixed salary since the commencement of the insurance contract due to salary increases or reductions (e.g. due to a reduction in working hours) are also insured under consideration of a change in the contribution (see also clause 9.3) and are taken into account in the event of a claim. For insured persons who are in an inactive employment relationship in accordance with clause 2.4, the insured salary is the last salary before the beginning of the suspended employment relationship.

Not insured are variable salary components such as bonus payments, royalties, commissions, etc., the amount of which has not yet been determined at the beginning of the insurance contract or which are not guaranteed.

The insured salary for wage earners is the salary guaranteed in accordance with the employment contract.

When the insurance contract is concluded, an agreement may be concluded between the policyholder and elipsLife deviating from the above definition of the insured salary.

The agreed definition of the insured salary is given in the section "Benefits" of the policy.

6.3 Disability benefit

If an insured persons' labour force is continuously reduced to the agreed minimum degree of labour force reduction during the duration of the insurance contract for the agreed minimum duration of the labour force reduction and subsequently continues to be fully or partially reduced in labour force, elipsLife shall pay the full or partial benefit insured for the respective insured person. The concept of reduced working capacity used in the T&C's does not correspond in content to the concept of occupational disability or reduced earning capacity in the sense of social law or the concept of occupational disability in the sense of the insurance conditions in daily benefits insurance. The decision of a social insurance carrier or a private life or health insurer therefore does not automatically lead to a benefit entitlement from this disability benefit.

Details of the insurance cover provided by the disability benefit can be found in section B and - if insured - in the section "Benefits" of the policy.

6.4 Death benefit

If an insured person dies during the duration of the insurance contract, elipsLife pays the agreed death benefit once. Only the time of death and not the outbreak of a disease leading to death is decisive.

Details of the insurance cover provided by the death benefit can be found in section C and - if insured - in the section "Benefits" of the policy.

7. In which cases is insurance cover excluded?

In principle, elipsLife is obliged to pay benefits worldwide, irrespective of the cause of the insured event.

However, there are exceptional cases for which no insurance cover exists:

7.1 If an insured person joins the group of insured persons

If, for health reasons, an insured person in accordance to subclause 2.2.2 is unable to perform the activity agreed in the employment contract at the beginning of the insurance contract or when joining the group of insured persons, and receives statutory continued remuneration from his employer, no insurance cover exists for this person if a continuation of this condition leads to a related reduction in labour or death within the meaning of the T&C's. This means that a reduction in working capacity prior to the commencement of insurance is not insured.

If the activity agreed in the employment contract can actually be carried out for at least 30 days without interruption, in accordance with the employment contract after termination of the continued remuneration payment by the employer of the respective insured person at a later date due to an improved state of health of the respective insured person, full insurance cover exists after expiry of this period, unless this is generally limited according to individual medical underwriting in accordance with clause 3.2.

7.2 During the term of the contract

There is no insurance cover if the insured event was caused by one of the following actions performed by the respective insured person:

- a. Deliberate cause of illness or accident;
- b. Intentionally inducing a loss of strength;
- c. intentional self-injury.

However, elipsLife will still pay the insured benefits in these cases if it is proven that the respective insured person has committed these acts in a state of mental disturbance excluding them from the free exercise of will.

Furthermore, no insurance cover exists if the insured event was caused as follows:

- d. by an unlawful act by which the policyholder intentionally caused a reduction in the insured person's working capacity or death;
- e. by an event that occurred in a region to which an insured person voluntarily travelled despite a travel warning from the Federal Foreign Office (www.auswaertiges-amt.de) or which the respective insured person did not leave within 14 days of issuing a corresponding warning, although this would have been possible for him/her;
- f. directly or indirectly by an event of war, a terrorist attack or internal unrest; elipsLife's benefits are not excluded, however, if an insured person dies in direct or indirect connection with a war, terrorist attack or civil unrest, in which he or she has not been actively involved, except in regions for which a travel warning from the Federal Foreign Office exists at the time of the insured event (see letter e);
- g. directly or indirectly by the deliberate use of nuclear, biological or chemical weapons, or the deliberate use or release of radioactive, biological or chemical substances, provided that the use or release of these substances is directed towards this end, endangering the life or health of a large number of persons and leading to an unforeseeable change in the performance requirements compared to the technical calculation bases, so that the fulfilment of the promised benefits is no longer guaranteed and this is confirmed by an independent trustee in an expert opinion;
- h. radiation resulting from nuclear energy which endangers the lives or health of many people to such an extent that a civil protection authority or comparable authority has taken action to avert the hazard;
- i. by intentional execution or an attempt to commit a crime.

The other exclusions of benefits in the event of death benefit claims in section C, clause 2, must also be taken into account.

7.3 Payment obligation

In principle, elipsLife is only obliged to pay a benefit to the policyholder if the policyholder himself is also directly or indirectly obliged to pay the respective insured person on the basis of an employment commitment in the company pension scheme with an underlying reinsurance policy concluded with elipsLife. If the payment obligation of the policyholder towards an insured person is lower than that of elipsLife towards the policyholder, elipsLife can reduce the benefit accordingly. The policyholder must prove to elipsLife the actual payment obligation arising from the employment commitment to the respective insured person.

8. Who receives the benefit?

The policyholder is irrevocably entitled to all benefits under this insurance contract.

9. What must be taken into account when paying contributions?

9.1 Contribution rate

On the basis of the inventory list according to clause 2.1, a premium rate - depending on the agreement according to clause 6.1 - is calculated depending on the insured salary or the total insured fixed sums for the insurance contract of elipsLife and is listed in the section "Benefits" of the insurance policy.

The premium rate is guaranteed for the duration of the insurance contract and also applies to the insured persons entering the group of insured persons during the duration of the insurance contract in accordance with clause 2.3.

If a significant change in the group of persons is reported in accordance with clause 2.3.4, elipsLife reserves the right to adjust the contribution rate.

9.2 Calculation of the provisional annual contribution

The information reported by the policyholder in the inventory list in accordance with clause 2.1 prior to the commencement of the insurance contract represents the basis of assessment for the calculation of the provisional premium. elipsLife is entitled to verify the information and to request corresponding inspection of relevant documents (e.g. pay slips).

9.2.1 Amount of benefits depending on insured salary

If the amount of the benefits is agreed as a function of the insured salary per insured person, the provisional contribution is calculated by multiplying the contribution rate by the gross annual wage total reported by the policyholder in the inventory list for the insured group of persons. This is to be determined in the same way as the definition of the insured salary in clause 6.2.

9.2.2 Amount of benefits as fixed amounts

If the amount of the benefits is agreed as a fixed sum, the provisional contribution is calculated by multiplying the premium rate by the total fixed sums reported by the policyholder in the portfolio list for the insured group of persons. For a benefit in the form of a pension, the contribution rate refers to the sum of the benefits payable in the first year.

9.3 Determining the final annual contribution

Until the end of the month following the end of the insurance contract, the policyholder must inform elipsLife of the group of persons finally insured for the duration of the insurance contract by means of an updated inventory list in accordance with clause 2.1 (see also clause 10.4).

elipsLife charges the final premium for the duration of the insurance contract after completion. The difference between the provisional premium and the final premium calculated after the end of the insurance contract shall be the adjustment amount for the expired duration of the insurance contract. The corrected premium is allocated to the policyholder's premium account and subsequently collected, reimbursed or offset against the next premium when a new insurance contract is concluded. If the final contribution is subsequently collected, it is due 30 days after invoicing.

9.4 Contribution payment

The first or single premium is due immediately after four weeks have elapsed since the insurance policy was sent, but not before four weeks have elapsed after the agreed commencement of the insurance contract. All other contributions are due on the respective due date. A payment made before the commencement of the insurance contract agreed with the policyholder does not change the commencement of the insurance cover.

If the first or single premium is not paid on time within the meaning of paragraph 1, insurance cover begins only from the time of payment. This does not apply if the policyholder proves that he is not responsible for the late payment.

If the policyholder pays the first or single premium on time within the meaning of paragraph 1, the insurance cover begins at the time stated in the policy.

If the first or single premium has not yet been paid in time within the meaning with paragraph 1 when an insured event occurs, elipsLife is not liable to pay benefits. This only applies if elipsLife has informed the policyholder of this legal consequence by separate notification in text form or by sending the policy. elipsLife, on the other hand, is liable if the policyholder proves that he is not responsible for the non-payment.

If the first or single premium is not paid in time within the meaning paragraph 1, elipsLife can withdraw from the insurance contract as long as the payment has not been effected. This does not apply if the policyholder proves that he is not responsible for late payment.

If a subsequent premium or other amount owed under the insurance relationship is not paid in time, elipsLife will send the policyholder a reminder in text form. A payment deadline of at least two weeks is set therein. If this amount is not paid within the set period, the insurance cover is cancelled or reduced. The policyholder will be expressly notified of the corresponding legal consequences in the reminder.

10. Which notification obligations exist during the contract term?

10.1 Notification of circumstances relevant to the insured event

If a disability benefit is insured and the policyholder has the relevant information at his disposal, he will inform elipsLife in text form both about insured events according to section B clause 3 and about events which could lead to a reduction in the insured person's working capacity within the meaning of section B. Such events are for example

- a. sick leave of at least six weeks if an insured person is still on sick leave;
- b. recurring sick leave of an insured person lasting more than one week;
- c. Reorganization at the employer of the insured persons who are connected with job cuts or early retirement.

10.2 Change in the number of insured persons

An initial change of more than 20% in the number of insured persons compared to the portfolio list in accordance to clause 2.1 during the term of the contract represents a significant change and must be reported to elipsLife immediately by means of a new inventory report.

If no such notice is given, elipsLife can terminate the insurance contract prematurely and with immediate effect within one month after becoming aware of the violation, unless the violation is not due to intent or gross negligence.

In case of a substantial change according to sentence 1, elipsLife can adjust the amount of the contribution rate and the contribution. The new calculation is made for the remaining period until the end of the insurance contract. Contributions already paid for this period will be charged. In this case the policyholder can terminate the insurance without notice by informing elipsLife at the latest 30 days after receipt of the information about the changed premium rate and premium in text form.

elipsLife is not obliged to pay benefits if the policyholder has intentionally not reported the change of more than 20% in the inventory of the insured persons. In the event of a grossly negligent breach of the reporting obligation, elipsLife is entitled to reduce its benefits in proportion to the seriousness of the fault of the policyholder. This applies to all insured events occurring after the occurrence of the reportable event. The burden of proof for the non-existence of gross negligence is borne by the policyholder.

10.3 Exceeding the limit for the individual medical underwriting

If the amount of the benefits is agreed depending on the insured salary per insured person and a new life assured or an existing insured person to join the group of insured persons exceeds the agreed limit for the individual medical underwriting due to a salary increase, this must be reported by the policyholder in accordance with the provisions of clause 3.2.2. A person to be newly insured is not insured as long as the notification is not made and the risk check has not yet been carried out. Insurance cover for an existing insured person is only available to the same extent up to the time of notification and corresponding medical underwriting.

10.4 Data for calculating the final contribution

For the calculation of the final premium according to clause 9.3, the policyholder must provide elipsLife with the following data per insured group of persons in the form of an updated inventory list according to clause 2.1 for all insured persons who belonged to the group of persons insured according to clause 2 during the duration of the insurance policy at the latest by the end of the month following the end of the insurance contract:

- a. when choosing the amount of benefits depending on the insured salary per insured person: gross annual salary paid out (sum of insured salaries);
- b. if the amount of benefits is chosen as a fixed sum per insured person: total insured fixed sums.

If the policyholder does not inform elipsLife in time, elipsLife has the right to claim an amount of 15% of the provisional premium as advance premium until the necessary data are reported. Further information can be found in note 9.

10.5 Change of postal address

The policyholder must notify elipsLife of a change of postal address within 14 working days of the change. Otherwise disadvantages can arise for the policyholder. elipsLife is entitled to send a declaration to the policyholder (for example setting a payment deadline) by registered letter to the last known address at elipsLife. In this case, elipsLife's declaration is deemed to have been received three days after sending the registered letter.

10.6 Legal obligations to provide information

As long as elipsLife is obliged by law to collect, store, process and report information and data on the insurance contract, the policyholder must provide elipsLife with the necessary information, data and documents.

- a. on conclusion of the contract;
- b. for changes after conclusion of the contract;
- c. on request

to be made available without delay.

10.7 Registration Address

All notifications from the policyholder must be sent to the following address:

Elips Life AG, Triesen, Zweigniederlassung Deutschland (Branch Office Germany)
Im Mediapark 8
50670 Köln
email: kontakt.de@elipslife.com
Fax: +49 221 2065 4009

Notifications relating to the insurance relationship must be made in text form. Messages intended for elipsLife become effective as soon as they reach elipsLife.

elipsLife will send notifications to the last address given by the policyholder.

10.8 Legal consequences of breach of notification obligations

If the policyholder violates a notification obligation under this contract, which he has to fulfil before the insured event occurs, elipsLife can terminate the insurance contract without notice within one month from knowledge of the violation of the notification obligation. elipsLife has no right of termination if the policyholder proves that the violation of the notification obligation was neither based on intent nor on gross negligence.

If an obligation to notify is intentionally violated under this insurance contract, the policyholder loses his insurance cover. In the event of a grossly negligent breach of an obligation to notify, elipsLife is entitled to reduce his benefits in proportion to the seriousness of the fault of the policyholder.

The complete or partial discontinuation of insurance cover in the event of a breach of an obligation to provide information or clarification after the occurrence of the insured event is a precondition that elipsLife has informed the policyholder of this legal consequence by separate notification in text form. If the policyholder proves that he has not grossly negligently breached the duty of disclosure, the insurance cover remains in force.

Insurance cover remains in force even if the policyholder proves that the breach of the duty of disclosure was neither the cause of the occurrence or the determination of the insured event nor of the determination or the scope of the benefit incumbent on elipsLife. This does not apply if the policyholder has fraudulently violated the duty of disclosure.

11. What are the additional costs?

When benefits are transferred to countries outside the European economic area, the beneficiary bears the associated risk and any associated costs. Therefore, elipsLife reduces the amount to be paid by these costs, provided that these are invoiced to elipsLife.

12. Which law applies?

The law of the Federal Republic of Germany shall apply to this insurance contract.

13. Where is the place of jurisdiction?

Legal action against elipsLife arising from the insurance contract shall be brought by the court in the district in which elipsLife's registered office or the branch responsible for the insurance contract is located. The court in the district of which the policyholder has his registered office or branch (§ 215 VVG or § 38 paragraph 1 Zivilprozessordnung - ZPO) also has jurisdiction for the policyholder as a legal person.

Claims arising from the insurance contract against the policyholder must be brought by elipsLife before the court in the district in which the policyholder has its registered office or branch. If the policyholder moves his registered office abroad, the courts of the country in which elipsLife has its registered office are competent for elipsLife's claims under the insurance contract.

14. Can the insurance contract be assigned or pledged?

The claims to the insured benefits can neither be assigned nor pledged without the express consent of elipsLife.

15. What are the calculation bases?

When concluding the insurance contract, elipsLife uses the tables listed in the section "Contribution" of the policy to calculate the amount of the premium.

16. Is a profit participation allowed for?

Participation in the profit and in the valuation reserves is excluded.

17. What applies if a clause is invalid?

If one of the listed clauses in this document should be ineffective, this will not become part of the insurance contract. This does not otherwise affect the validity of the insurance contract.

B. Disability benefit

1. Which benefit is insured?

The concept of reduced working capacity used in the T&C's does not correspond in content to the concept of occupational disability or reduced earning capacity in the sense of social law or the concept of occupational disability in the sense of the insurance conditions in daily benefits insurance. The decision of a social insurance carrier or a private life or health insurer therefore does not automatically lead to benefit entitlement from this disability benefit.

1.1 Type of benefit

Before concluding the insurance contract, the policyholder can choose between the following benefit types for each group of persons to be insured; a combination of the benefit types is possible:

- a. benefit in the form of a monthly annuity or
- b. Benefit in the form of a lump-sum payment.

A lump-sum payment can only be chosen if the agreed minimum duration of the reduction in working capacity is 18 months.

Five years (60 months) before the agreed final insurance age of an insured person the insured benefit for the respective insured person is reduced monthly by 1/60 in relation to the insured benefit.

If a reduction in the insured person's working capacity begins within this period, elipsLife will pay a correspondingly reduced lump sum in the event of a claim.

The agreed benefit type is listed in the section "Benefits" of the insurance policy.

1.2 Benefit concept of labour reduction

Before concluding the insurance contract, the policyholder can choose one of the following benefit terms for the disability benefit for each group of persons to be insured:

- a. Occupational disability with renunciation of abstract referral (taking into account the last occupation pursued and a new job taken up after the reduction in working capacity, see clause 1.2.1);
- b. Occupational disability with the right to abstract referral (taking into account the last profession practised and also possible similar professions after the reduction in labour has occurred, see clause 1.2.2);
- c. Disability (taking into account the usual professional activities on the labour market, see clause 1.2.3).

The agreed benefit concept of labour reduction is listed in the section "Benefits" of the insurance policy.

1.2.1 What is occupational disability with waiving abstract referral within the meaning of the T&C's?

If this benefit concept has been agreed, there is a reduction in labour if an insured person, after joining the insured group of persons and before the expiry of the agreed final insurance age

- as a result of illness, bodily injury or more than age-appropriate deterioration of strength, which must be medically proven in each case,
- has been uninterruptedly unable, for the agreed minimum period of reduced work at the agreed minimum degree of labour reduction, to fully pursue their last professional activity before the reduction occurred, and
- after expiry of the minimum duration of the reduction in labour to the agreed minimum degree of the reduction in labour is unable to pursue the last professional activity before the reduction in labour has occurred.

Furthermore, an insured person must be unable to pursue any new professional activity taken up - corresponding to training and experience as well as the position in life - and carried out after the reduction in labour has occurred at the agreed minimum level of the reduction in labour (the right to a definite referral).

The previous position in life corresponds only to an activity whose remuneration and social status do not noticeably fall below the level of the previous activity. The Supreme Court currently assumes that, as a rule, a reduction in the remuneration of up to 20 % is still reasonable.

elipsLife does not make an abstract reference to other activities which an insured person is capable of on the basis of his/her knowledge and abilities. This means that elipsLife only takes into account the last professional activity carried out before the reduction in work force occurs, as well as any new professional activity taken up after the reduction in work occurs, which corresponds to the training, experience and position in life.

When is there a complete reduction in labour?

Complete reduction in labour as defined in clause 1.2.1 shall be deemed to have occurred if an insured person achieves the agreed minimum degree of reduction in labour for a complete disability benefit.

Complete reduction in labour also exists if an insured person receives a full reduction in earning capacity pension from the German statutory pension insurance (Deutsche Rentenversicherung).

The amount of the benefit to be paid corresponds to the insured benefit. The information on taking into account income from professional activity is given in clause 1.3.

When is there a partial reduction in labour?

Partial reduction in labour as defined in clause 1.2.1 occurs when an insured person reaches the agreed minimum degree of reduction in labour for a partial disability benefit.

The amount of the benefit to be paid results from the degree of reduction in labour in percentage multiplied by the insured benefit determined by elipsLife.

elipsLife does not provide any benefit if the reduction in labour is below the agreed minimum degree of reduction in labour for a partial disability benefit. The information on taking into account income from professional activity is given in clause 1.3.

1.2.2 What is disability with the right to abstract referral as defined by the T&C's?

Provided this benefit concept has been agreed, there is a reduction in labour if an insured person, after joining the insured group of persons and before the expiry of the agreed final insurance age

- as a result of illness, bodily injury or more than age-appropriate deterioration of strength, which must be medically proven in each case,
- has been uninterruptedly unable, for the agreed minimum period of reduced work at the agreed minimum degree of labour reduction, to fully pursue their last professional activity before the reduction occurred, and
- after the expiry of the minimum period of the reduction to the agreed minimum level of the reduction, is unable to pursue the last activity before the reduction or any other professional activity, which he would be able to perform on the basis of his knowledge and skills and which corresponds to his previous position in life (a right to abstract referral).

Furthermore, an insured person must be unable to pursue any new professional activity taken up - corresponding to training and experience as well as the position in life - and carried out after the reduction in labour has occurred at the agreed minimum level of the reduction in labour (the right to concrete referral).

The previous position in life only corresponds to an activity which in its remuneration and social appreciation does not noticeably fall below the level of the previous activity. The Supreme Court currently assumes that, as a rule, a reduction in the remuneration of up to 20 % is still reasonable.

When is there a complete reduction in labour?

Complete reduction in labour as defined in clause 1.2.2 exists if an insured person achieves the agreed minimum degree of reduction in labour for a complete disability benefit.

Complete reduction in labour also exists if an insured person receives a full reduction in earning capacity pension from the German statutory pension insurance (Deutsche Rentenversicherung).

The amount of the benefit to be paid corresponds to the insured benefit. The information on taking into account income from professional activity is given in clause 1.3.

When is there a partial reduction in labour?

Partial reduction in labour as defined in clause 1.2.2 applies if an insured person achieves the agreed minimum degree of reduction in labour for a partial disability benefit.

The amount of the benefit to be paid is determined by elipsLife as a percentage of the reduction in labour force in relation to the last professional activity performed multiplied by the insured benefit. The information on taking into account income from professional activity is given in clause 1.3.

elipsLife does not render any benefit for a degree of labour reduction below the agreed minimum degree for the partial reduction of labour.

1.2.3 What is occupational disability as defined by the T&C's?

Provided this benefit concept has been agreed, there is a reduction in labour if an insured person, after joining the insured group of persons and before the expiry of the agreed final insurance age

- as a result of illness, bodily injury or more than age-appropriate deterioration of strength, which must be medically proven in each case,
- has been continuously unable to work for more than six hours in the general labour market for the agreed minimum period of reduced labour, and
- is unable and does not work more than six hours on the general labour market after the minimum period of reduction in labour has elapsed.

Activities that disabled persons can only carry out in specially equipped workshops or homes are not taken into account.

The decision on the existence of disability depends exclusively on the health conditions of the respective insured person; no relevance is involved in this respect

- labour market conditions, in particular the availability of jobs,
- the last professional activity and
- the previous living and income circumstances of the respective insured person.

When is there a complete reduction in labour?

Complete reduction in labour as defined in clause 1.2.3 applies if an insured person is unable to work more than three hours.

Complete reduction in labour also exists if an insured person receives a full reduction in earning capacity pension from the German statutory pension insurance (Deutsche Rentenversicherung).

The amount of the benefit to be paid corresponds to the insured benefit. The information on taking into account income from professional activity is given in clause 1.3.

When is there a partial reduction in labour?

Partial reduction in labour as defined in clause 1.2.3 applies if an insured person is unable to work more than six hours.

Partial reduction in labour also exists if an insured person receives a pension due to partial reduction in earning capacity from the German statutory pension insurance (Deutsche Rentenversicherung).

The amount of the benefit to be paid corresponds to half of the insured benefit. The information on taking into account income from professional activity is given in clause 1.3.

Provided that an insured person is able to work more than six hours, elipsLife does not provide any benefits.

1.3 Consideration of income from occupational activities

If the disability benefit in accordance with clause 1.1 has been agreed in the form of a monthly annuity, elipsLife only takes into account income from an insured person's actually exercised professional activity after the occurrence of the reduction in labour if the sum of all disability benefits to be paid by elipsLife for the respective insured person per month and the average gross monthly income from professional activity after the occurrence of the reduction in labour exceeds the average gross monthly income before its occurrence. In this case elipsLife reduces the total monthly disability annuity to be paid for the respective insured person per benefit case to such an extent that the sum of the benefit to be paid per month and the average monthly gross income from professional activity after the occurrence of the reduction in labour does not exceed the average gross income before its occurrence.

Benefits from state, private or other company insurances not taken out with elipsLife will not be taken into account in the calculation of the amount of the disability benefit annuity.

2. Early benefits

In the following cases elipsLife can - notwithstanding clause 1 - after notification of an insured event in accordance with clause 3 and before the expiry of the minimum period of reduced working capacity, check whether the other eligibility requirements for an income protection benefit are fulfilled if an insured person

- a. receives a pension notice from the German statutory pension insurance (Deutsche Rentenversicherung) within the agreed minimum period of reduction in earning capacity due to partial or complete reduction in earning capacity;
- b. no longer receives sickness benefit from the statutory health insurance or daily benefits from a private health insurance.

If the above conditions are fulfilled, elipsLife can provide a benefit even before the minimum period for the reduction in working capacity has expired.

3. What notification obligations apply in the event of a claim?

3.1 Notification of the claim

The policyholder shall report a claim for benefits due to a reduction in the insured person's working capacity within 30 days of the expiry of the minimum period of the reduction in working capacity at the latest.

In the event of late receipt of the notification, the benefit in accordance to clause 6.1.4 shall not become due until the end of the month following notification of the claim. The benefit may be reduced or cancelled altogether in accordance with clause 3.3.

elipsLife will contact the respective insured person directly in coordination with the policyholder and request a signed declaration of consent and confidentiality in addition to the documents listed in clause 3.2.

If benefits are claimed from this insurance contract, elipsLife has to prove the reduction in labour in terms of clause 1. elipsLife can demand any information which is necessary to determine the insurance event and the scope of elipsLife's obligation to provide benefits (duty to provide information). Furthermore, elipsLife can demand that all data be provided which are useful for clarifying the facts of the case and enable elipsLife to properly check the obligation to perform (duty of clarification).

3.2 Documents to be submitted

3.2.1 Documents of the policyholder

The policyholder must submit the following documents to elipsLife:

- a. the employer's pension promise to the respective insured person;
- b. upon elipsLife's request, all information according to section A clause 2.5 which proves that the respective insured person belongs to the group of insured persons;
- c. if the definition of benefits was chosen on the basis of the insured person's insured salary, the salary details of the respective insured person for the three months preceding the insured event and the December statement of the previous year with details of the annual sum;
- d. proof of termination of the employer's statutory continued remuneration for the respective insured person.

3.2.2 Documents of the insured person

elipsLife will send the respective insured person a corresponding questionnaire after notification of an insured event. elipsLife can, for example, request the following points:

- a. detailed reports by the doctors who have treated and/or are currently treating the respective insured person on the cause, beginning, type, course and probable duration of the condition of the respective insured person;
- b. List of doctors, hospitals, nursing homes or nursing staff with whom the respective insured person was, is or - if known - will be in treatment;
- c. Description of the last professional activity of the respective insured person at the time before the reduction in labour occurs;
- d. Information and proof of the income of the respective insured person from the last professional activity exercised at the time before the reduction in labour occurs (income tax assessments, pay slips or, in the case of self-employment, profit and loss accounts or income statements for the last three years);
- e. Information on changes that have occurred with regard to professional activities and the related income of the respective insured person since the reduction in labour occurred;
- f. Mention of the insurance companies, social insurance carriers or other pension providers with which the respective insured person has also claimed or could claim benefits, for example due to a reduction in working capacity, occupational disability or disability.

In addition, the following documents may be required from the respective insured person:

- a. Copy of identity card or passport;
- b. detailed reports from doctors who are currently treating, or have treated or examined the respective insured person due to the existing reduction in labour, including - if available - copies of hospital and rehabilitation discharge reports as well as expert reports prepared on behalf of other funding bodies (e.g. German pension insurance, employers' liability insurance association, statutory or private health insurance);
- c. if available, the pension notice of Deutsche Rentenversicherung due to reduced earning capacity (first and second page);
- d. Copies of the last three pay slips before the reduction in labour occurs and the December pay slips for the previous year, indicating the annual total.

The cost of the above verification shall be borne by the person claiming the insurance benefits. All documents must be submitted to elipsLife in German.

In order to clarify elipsLife's liability to provide services, elipsLife can demand further required proof and carry out the necessary investigations itself. elipsLife can also demand further medical examinations by doctors commissioned by elipsLife at elipsLife's expense. If an insured person has to travel to Germany, elipsLife will pay the travel expenses (train journey 2nd class / flight economy class) and accommodation costs (overnight stay in a 4-star hotel).

On the basis of the documents submitted by the respective insured person and - if necessary for the determination of the reduction in working capacity - further information from the attending physicians or other specialists as well as other agencies providing information (e.g. German pension insurance), elipsLife determines the degree of reduction in working capacity – in relation to the last professional activity exercised. Information on the declaration on the obligation to pay benefits and the possibilities if the policyholder should not agree with the result of the declaration can be found in clauses 4 and 5.

If the respective insured person does not have surgical treatment measures prescribed by the examining or treating physician to promote the cure or reduce the disability, this shall not preclude recognition of the benefits under the insurance contract. However, the respective insured person is obliged to follow reasonable medical instructions to improve his health. Measures which are safe and not associated with particular pain and which also offer at least a certain prospect of improvement (up to the performance limit) are reasonable. These include measures such as observing diets, the use of orthopaedic or other remedies and aids (e.g. wearing prostheses, use of visual and hearing aids) or the wearing of support stockings. Healing treatments that require surgery are unreasonable.

3.3 Consequences of incomplete notification

elipsLife benefits are due after completion of the investigations necessary to determine the insured event and the scope of the benefit obligation. If the policyholder or an insured person does not fulfil one of the aforementioned obligations, this may have the consequence that elipsLife cannot determine whether or to what extent elipsLife is liable. A violation of the notification obligations can therefore lead to the fact that the benefit of elipsLife does not fall due.

elipsLife is not liable for intentional violation of a duty to provide information or clarification in accordance with clauses 3.1 and 3.2. In case of their grossly negligent violation elipsLife is entitled to reduce the benefit in a proportion corresponding to the severity of the violation. The policyholder bears the burden of proof for the non-existence of a grossly negligent violation. These consequences only occur if elipsLife has pointed out this legal consequence by separate notification in text form. elipsLife remains obliged to pay, as far as the violation of the obligation to notify is neither the cause for the occurrence or the determination of the insured event nor for the determination or the scope of the obligation to pay. This does not apply if the obligation to notify has been fraudulently breached.

4. When does elipsLife make a declaration about the liability?

A declaration as to whether, to which extent and for which period the obligation to pay benefits is recognised, is given by elipsLife within two weeks, as soon as the necessary investigations for the determination of the benefit case and the benefit amount are completed.

elipsLife informs the policyholder and the respective insured person about the processing status at least every six weeks.

elipsLife waives a temporary recognition of the benefit obligation with regard to the disability benefit.

5. What happens in the event of disagreements?

If the policyholder does not agree with the result of the declaration of the obligation to pay benefits, a medical opinion can be requested in cooperation with elipsLife. The costs incurred are shared by the policyholder and elipsLife at 50% each.

Furthermore, elipsLife financially supports the policyholder in justified cases after prior agreement during a consultation with the policyholder or the respective insured person at a consumer centre or an insurance consultant. elipsLife covers the costs incurred for this to the amount of 75 %, however, a maximum of 100 euros.

The results or recommendations of the medical opinion and the statements made by the contacted consumer advice centre or the contacted insurance consultant are not binding for elipsLife. elipsLife will however review the previous declaration on the obligation to pay benefits, taking into account the above results and recommendations.

6. When does the payment of benefits begin and end?

6.1 Start of benefit entitlement

After elipsLife has made the declaration of the benefit obligation in accordance with clause 4, elipsLife pays the benefit at the end of the month in which the minimum duration of the reduction in working capacity of the respective insured person ends.

6.1.1 Payment of a pension at the end of the minimum period of reduced working capacity

If a pension is agreed as a benefit and the expiry of the minimum period of reduced working hours is agreed as the beginning of the benefit period, elipsLife pays the monthly pension after the end of the month in which the minimum period of reduced working hours of the respective insured person ends.

6.1.2 Payment of a pension after the statutory continued remuneration has expired

If a pension is agreed as a benefit and the statutory continued payment of remuneration is agreed as the beginning of the benefit period, elipsLife pays the monthly pension annuity backdated to the end of the month in which the statutory continued payment of remuneration for the respective insured person has ended.

6.1.3 Early benefits

If elipsLife grants an early benefit according to clause 2, elipsLife will pay the benefit at the end of the month in which the corresponding eligibility requirements are fulfilled; at the earliest at the end of the month after the end of the statutory continued payment of remuneration for the respective insured person.

6.1.4 Start of benefits in the event of late notification of the insured event

Contrary to clauses 6.1.1, 6.1.2 and 6.1.3, if the insured event is reported late in accordance with clause 3.1, the benefit shall not become due until the end of the month following the notification of the claim.

6.2 Duration and end of pension payment

If a pension has been agreed as a benefit, it will be paid until the end of the month of the agreed benefit end age or - if the insured person dies beforehand, until the end of the month after the death of the respective insured person, as long as there is a partial or complete reduction in labour without interruption.

6.3 Amendment of the pension amount

If a pension has been agreed as a benefit, the pension to be paid is increased by the agreed percentage on the date of the first pension payment. The amount of the amendment is listed in the section "Benefits" of the policy. The increase in the pension always refers to the last pension paid.

7. What applies after recognition of the liability?

7.1 Disclosure obligation of the policyholder

The policyholder must inform elipsLife immediately after becoming aware if the respective insured person resumes his or her previous professional activity respectively for a longer period of time or pursues another professional activity.

7.2 Obligation of the insured person to notify

If the benefit obligation has been established and the benefit is paid in the form of a pension, elipsLife can check at any time, usually once a year from the date of recognition - whether a reduction in work capacity according of the respective insured person to clause 1 still exists, whether the degree of reduction in work capacity or income has changed or whether the respective insured person is still alive.

It can also be checked whether the professional circumstances of the respective insured person have changed after acknowledgement. Newly acquired vocational training and experience as well as a professional activity actually carried out can also be taken into account after the reduction in labour has occurred.

If there is no conditional reduction in labour at the time the claim is reported, claims to benefits shall exist at the latest for the period from the start of benefit entitlement until the reduction in labour ceases to apply.

For the purpose of the verification, elipsLife may at its own expense request relevant information - in particular the following - from the respective insured person:

- a. detailed reports by the physicians who are currently treating the respective insured person or who have treated or examined the insured person since the recognition of the obligation to provide benefits or the last check, on the cause, beginning, type, course and probable duration of the condition of the respective insured person;
- b. a list of the doctors, hospitals, clinics, nursing facilities or care persons with whom the respective insured person has been in treatment since the recognition of the obligation to provide benefits or the last follow-up examination is or - if known - will be;
- c. a description of the current professional activity of the respective insured person, of his position and in particular of changes that have occurred and newly acquired professional skills since the recognition of the complete or partial reduction in labour;
- d. if available, the pension notice from Deutsche Rentenversicherung due to reduced earning capacity (first and second page);
- e. Information and proof of the income of the respective insured person from professional activity, including any self-employment (income tax assessment notices, pay slips or, in the case of self-employment, profit and loss accounts or income surplus statements for the last three years);
- f. the presentation of a current certificate from a German authority stating that the respective insured person is alive, whereby it is sufficient to present a current certificate from a credit institution established in Germany confirming that the respective insured person has appeared there upon presentation of a identity card or passport;
- g. that the respective insured person is examined by a doctor to be contracted by elipsLife.

If an insured person has to travel to Germany, elipsLife will pay the travel expenses (train journey 2nd class / flight economy class) and accommodation costs (overnight stay in a 4-star hotel).

If the liability due to a reduction in labour was provided exclusively because the respective insured person receives a disability pension from Deutsche Rentenversicherung, and if this pension is no longer granted, the proof in accordance with clause 3.2.2 must be submitted in addition to proof specified above.

All documents must be submitted to elipsLife in German.

7.3 Benefit reduction

The benefits from a disability benefit pension can be decreased if elipsLife determines that the degree of reduced labour has reduced or the income has changed. Newly acquired vocational training and experience may be taken into account once the reduction in labour has occurred.

elipsLife can reduce the benefits at the end of the third month after receipt of the declaration by the policyholder.

7.4 End of benefit entitlement

elipsLife's obligation to pay benefits ends when elipsLife determines that the conditions of an income security pension have ceased to apply and elipsLife has informed the policyholder and the respective insured person in text form of the changes leading to the cessation of the obligation to pay benefits. elipsLife can discontinue benefits at the end of the third month after receipt of the declaration by the policyholder.

In addition, the obligation to pay benefits ends upon the death of an insured person before the expiry of the agreed final benefit age at the end of the month following the death of the respective insured person.

7.5 Consequences of incomplete notification

If the policyholder or an insured person does not fulfil one of the aforementioned obligations, this may mean that elipsLife cannot determine whether or to what extent elipsLife is still liable. A violation of the notification obligations can therefore lead to the fact that the service of elipsLife is no longer due.

In case of intentional violation of a duty to provide information or clarification according to clauses 7.1 and 7.2, elipsLife can stop the benefit. In case of their grossly negligent violation elipsLife is entitled to reduce the benefit in a proportion corresponding to the severity of the violation. The policyholder bears the burden of proof for the non-existence of a grossly negligent violation. These consequences only occur if elipsLife has pointed out this legal consequence by separate notification in text form. elipsLife remains obliged to pay, as far as the violation of the obligation to notify is neither the cause for the occurrence or the determination of the insured event nor for the determination or the scope of the obligation to pay. This does not apply if the obligation to notify has been fraudulently violated.

8. What happens if there is a significant deterioration in health?

A significant deterioration in health is considered to be the start of a new claim. This also applies if elipsLife has previously accepted its obligation to perform due to a partial reduction in labour. The policyholder may notify elipsLife at any time of a significant deterioration in the respective insured person's state of health in text form. This may be the case, for example, if the respective insured person is only able to exercise his currently exercised activity to an even lesser extent than within the scope of the previously known reduction in working capacity for health reasons. elipsLife will then check whether a higher pension entitlement exists due to this deterioration in accordance with the T&C's. In the case of entitlement to benefit, no further minimum period of reduction in labour according to clause 1 shall be claimed.

C. Death benefit

1. Which benefit is insured?

If an insured person dies during the duration of the insurance contract, elipsLife pays the insured benefit.

2. Which special exclusions apply to death benefits?

In principle, elipsLife is obliged to pay benefits regardless of the cause of the insured event.

If an insured person dies due to suicide within one year after joining the insured group of persons, elipsLife is exempt from payment of a benefit. This does not apply if the act was committed in a state of mental disturbance excluding them from the free exercise of will.

The general exclusions of insurance cover can be found in section A clause 7.

3. Which notification obligations apply in the event of a claim?

3.1 Notification of the claim

The death of an insured person must be reported to elipsLife in text form no later than two months after notification.

3.2 Documents to be submitted

3.2.1 Documents of the policyholder

The policyholder must submit the employer's pension promise with the respective insured person to elipsLife.

3.2.2 Documents relating to the insured person

The following documents must be submitted by the policyholder or the surviving dependants of the respective insured person:

- a. certified copy of the official death certificate showing the name, date of birth and date of death of the respective insured person;
- b. a copy of the identity card or passport of the respective insured person;
- c. a detailed medical certificate stating the cause of death and the beginning and course of the illness that led to the death of the respective insured person;
- d. proof of employment of the respective insured person;
- e. the salary details for the three months preceding the insured event and the December statement for the previous year, indicating the annual sum of the respective insured person.

The cost of the above documents shall be borne by the person claiming the insurance benefits.

In order to clarify elipsLife's liability, elipsLife can request the necessary further verification and carry out the necessary inquiries at its own expense.

3.3 Consequences of incomplete notification

The benefits of elipsLife become due after completion of the inquiries necessary to determine the insured event and the scope of the liability. If the policyholder or the authorised surviving dependants of the respective insured person fail or fail to fulfil one of the aforementioned obligations, this may have the consequence that elipsLife cannot determine whether or to what extent elipsLife is obliged to pay benefits. A violation of the notification obligations can therefore lead to the fact that the benefit of elipsLife does not fall due.

4. When does elipsLife make a declaration about the liability?

elipsLife will issue a declaration as to whether and to what extent the benefit obligation is recognised within two weeks as soon as the necessary inquiries to determine the benefit case and the benefit amount have been completed.

elipsLife informs the policyholder and the authorised surviving dependants of the respective insured person about the processing status at least every six weeks.

5. What happens in case of disagreement?

If the policyholder does not agree with the result of the declaration of the obligation to pay benefits, a medical opinion can be requested in coordination with elipsLife. The costs incurred are shared by the policyholder and elipsLife at 50% each.

Furthermore, elipsLife financially supports the policyholder in justified cases after prior coordination during a consultation with the policyholder or the respective insured person at a consumer advice centre or an insurance consultant. elipsLife covers the costs incurred for this to the amount of 75 %, however, a maximum of 100 Euro.

The results or recommendations of the medical opinion and the statements made by the contacted consumer advice centre or the contacted insurance advisor are not binding for elipsLife. elipsLife will, however, review the previous declaration on the obligation to pay benefits taking into account the above results and recommendations.

Data Privacy Notice – Group Life Insurance

This Data Privacy Notice sets out data processing practices regarding Group Life Insurance Contracts.

This notice describes for you as an insured person the rules of Elips Life AG, Triesen, German Branch on data protection and the legal conditions that Elips Life AG, German Branch must satisfy when it obtains, handles, processes, transfers and stores your personal data. In addition this notice aims to inform you about any of your rights in connection with this data processing activities.

You can always find an up-to-date version of this notice (currently only in German) on our company website www.elipslife.com.

Data Controller:

Elips Life AG, Triesen, Zweigniederlassung Deutschland

Im Mediapark 8
50670 Köln
Telefon +49 221 2065 4000
Fax +49 221 2065 4009

E-Mail-address: kontakt.de@elipslife.com

You can ask for further information about our use of your personal data or complain about it use, by contacting our Data Protection Officer at compliance@elipslife.com or by regular mail under the address mentioned above.

Purposes and legal basis for data processing activities:

We always process your personal data in accordance with the provisions of the European General Data Protection Regulation (GDPR), the updated and amended German Data Protection Act (BDSG), the relevant data protection sections of the German Insurance Contract Law (VVG) and any other applicable and relevant laws and regulations.

When concluding a Group Life Insurance Contract you may be included in the scope of the insurance cover under the conditions of the contract. In order to assess eligibility for cover under this contract we need your personal data as the prospective insured person under the contract. The necessary personal data will be collected either directly from you or indirectly from the policyholder of the Group Life Insurance Contract (being either your employer or the trustee appointed by your employer for carrying out the occupational pension scheme) or indirectly by a third party consultant appointed by the policyholder (especially the appointed insurance intermediary acting on behalf of the policyholder).

Once the Group Life Insurance Contract is concluded between Elips Life AG, German Branch and the policyholder and you are an eligible insured person under its conditions, we process your personal data in order to perform the contract (e.g. issuing insurance certificates or invoices). We may also need information relating to a potential claim in order to assess if and how the claim is covered under the policy. Within the course of a claims scenario or prior to becoming an eligible insured person under the contract we also need your personal health related data – both cannot be handled and carried out properly without your personal and your health related personal data.

In addition we need your personal data in order to establish and create insurance related statistics (e.g. for the development or adjustments of new or existing tariffs or to meet supervisory requirements). All your obtained personal data will be used for CRM or other client relationship activities (e.g. consulting activities, potential ex-gratia payments or giving comprehensive information).

Potentially affected personal data can be (but is not limited to) name, address, contact details, age, gender, social security number, salary, claims related health data, occupation, job title.

The relevant legal basis for this processing of your personal data for pre-contractual or contractual purposes is Article 6 para 1 b) of the GDPR. Should any sensitive personal data (especially your health related data in pre-contractual or claims related medical assessment situations) be affected, we will collect your special written consent according to Article 9 para 2 a) in conjunction with Article 7 GDPR. Creating and establishing of statistics only happens according to Article 9 para 2 j) GDPR in conjunction with Article 27 BDSG. Your personal data will also be processed to protect our legitimate interests (Article 6 para 1 f) GDPR). This may be necessary to maintain IT security and IT operations, advertising for our own products and products of our cooperation partners as well as for prevention and detection of fraudulent claims or other criminal offences.

We also process your personal data in order to fulfil any applicable legal requirements like e.g. supervisory law regimes, commercial and tax law requirements or our obligation to inform and consult you properly. Legal basis is Article 6 para 1 c) GDPR.

Should we aim to process your personal data for any other purposes not mentioned in this privacy notice we will inform you separately in accordance with the relevant legal provisions.

Categories of recipients of your personal data:

Reinsurers:

Risks covered by us are partially reinsured with special reinsurance companies. Therefore it may be necessary to share your personal data with this reinsurance companies in order to enable the reinsurer to get the necessary insight into both the reinsured risk and any settled or unsettled claims.

In addition a reinsurance company – due to its scale and expertise - is able to provide specific knowledge for risk assessment, pricing or claims settling activities and operational efficiency. Your personal data will only be shared with reinsurance companies if and to the extent necessary to (i) perform our insurance relationship with you and (ii) protect our legitimate interests. You can ask for further information under the contact options provided by this notice.

Intermediaries:

In cases where the policyholder of the respective Group Life Insurance Contract or the trustee appointed by the policyholder to carry out the occupational pension scheme is represented by an intermediary, this intermediary will process your personal data which is necessary to prepare, conclude and carry out an insurance relationship with us. In addition we will also transfer your personal data to this intermediary for the purposes mentioned in this notice but only to the extent necessary.

Data processing within the Group of Affiliated Companies:

We are part of a larger Group of companies (affiliated companies). Some companies of the Group carry out centrally some workloads around your insurance relationship and with respect to data processing activities which affect your personal data. Hence your personal data can be shared with affiliated companies once an insurance relationship between you and one Group company has been established. This can for instance happen in areas of central contract administration activities or cash collection purposes or claims settling activities.

Third parties:

In order to fulfill our contractual and legal obligations we may from time to time use third party entities. This happens in cases of technical or administrative support as well as external medical advisors and doctors.

You can find an always up-to-date list of all involved third party advisors at our homepage under <https://www.elipslife.com/de/deu/Downloads>.

Further recipients:

In addition we may forward your personal data to further recipients like e.g. any governmental bodies or authorities in order to fulfill legal notification requirements (e.g. authorities acting within the sector of social contribution, financial authorities of criminal prosecution bodies).

Retaining your personal data:

We will delete your personal data from our files once they are no longer necessary for the purposes mentioned in this notice. The necessary period of time can last as long potential claims can be brought up against us (the usual limitation period for insurance relationship related claims can take from 3 up to thirty years). In addition we keep your personal data as long as we are legally obliged to do so. Such retaining requirements can result from the German Commercial Act, tax laws or AML regimes. Storage requirements in these cases are usually ten years.

Your rights as data subject:

At the contact address mentioned above you can at any time request any information regarding your personal data held by us according to Article 15 GDPR. In addition you can according to Articles 16, 17 and 18 GDPR request for correction, deletion and limitation of processing of your personal data. You have a legal right for obtaining any personal data you provided to us in a structured, common and machine-readable format. The mentioned rights can be subject to legal or operational restrictions – should these restrictions apply we will provide you with a respective information.

Right of Objection:

At any time you have the right to object to any data processing activities for marketing and advertising purposes regarding the usage of your personal data. In cases where we process your personal data to protect our legitimate interests, you can as well object against the respective processing as long as you can bring up reasons resulting from your specific situation which would prevent us from the respective processing.

Right to complain:

You are free at any time to file any complaint with the above mentioned Data Protection Officer or with any Data Protection Authority, for instance the "Landesbeauftragte für Datenschutz und Informationsfreiheit Nordrhein-Westfalen (LDI NRW)", Kavalleriestr. 2-4, 40213 Düsseldorf, Tel.: 0211-38424-0, Fax: 0211-38424-10.

Miscellaneous:

In order to enable the elipsLife Group of entities to centralize certain business operations and to contact and consult the policyholder thoroughly and efficiently by such other Group entities (and their respective employees) registered in the list mentioned above under no.1, **the policyholder allows elipsLife by signing the insurance contract** to forward the personal data – being relevant for the intended consulting – to the affiliated Group entity. Only personal data relating to the policyholder (name, address and other contact details) or relating to the insurance contract (duration, sum insured, scope of cover or other similar insurance information).

Simultaneously the policyholder for these cases absolves elipsLife and its employees from the obligation of secrecy. Sensitive personal data – especially any health related data – will not be processed at all in these cases. The **consent** given by the policyholder is voluntary and can be withdrawn at any time without having an impact on the insurance contract.

Additionally **the policyholder by signing the insurance contract gives his consent** to collecting necessary information regarding payment behavior and creditworthiness for reasons of contract administration. The consent given by the policyholder is voluntary and can be withdrawn at any time. Requests regarding creditworthiness still remain possible.

Tax information

Tax treatment of the income protection benefit and the death benefit under the reinsurance policy for direct pension promises (commitment) based on invalidity and/or survivors' benefits

A reinsurance policy exists if the employer, as the policyholder, takes out an insurance policy for the life of the employee from which the employer is exclusively entitled to benefits. It serves to provide the employer with the means to fulfil the pension commitment to the employee. The following is general information which cannot replace advice from a tax consultant in individual cases.

The following general information is based on the design of the occupational income protection as a pure risk product, i.e. the contributions paid are completely depleted by the granting of insurance cover for the insured period; the reinsurance policy neither builds up an actuarial reserve nor surpluses. Equally mandatory for the following explanations is the fully congruent reinsurance of the pension promise by the reinsurance policy. If the reinsurance policy insures the pension promise only partially congruent, the accounting and tax implications change significantly.

1. How are the contributions treated for tax purposes?

1.1 Contributions to reinsurance policies

The premiums for the reinsurance represent operating expenses for the employer if the conclusion of the insurance contract is caused by operational reasons.

1.2 Wage tax

The contributions to the reinsurance are not a wage for the employee. This also applies if the claims are pledged to the employee.

2. How are benefits taxed?

2.1 Reinsurance benefits

If the reinsurance policy insures the exact content of the pension commitment, the employer's benefit payments represent operating expenses and the insurer's reimbursements of the same amount represent income. The benefits must be recognized in the income statement because the employee does not acquire a direct payment claim against the insurer.

2.2 Wage tax

The pension benefit paid by the employer to the employee is an employee's wages.

3. How is the balance sheet affected?

A pension commitment corresponding to the occupational income protection under this contract is not recognized in the balance sheet if it is fully covered by the reinsurance policy. In the qualifying period, no provision for the pension commitments made has to be set aside, as the occurrence of a loss is not predominantly probable.

In principle, balance sheet consequences can only arise in the event of benefits being paid - however, a provision for future obligations does not have to be formed because there is no actual economic burden due to the completely congruent reinsurance policy in terms of time and content.

This applies to both, the commercial balance sheet and the tax balance sheet. If the company's profit is determined by a statement of surplus income, the contributions can also be deducted as operating expenses.

If the insurance serves to reinsure a pension commitment to a partner in a partnership or a sole proprietor, the premiums cannot be deducted as business expenses but are withdrawals.

4. Insurance tax

The contributions to the income protection benefit and death benefit are exempt from insurance tax in accordance with § 4 No. 5 of the Insurance Tax Act (VersStG) if the employer is resident in the Federal Republic of Germany. If the insurance relationship is continued with the consent of elipsLife after the transfer of the registered office abroad, the contributions may be subject to insurance tax in accordance with the regulations there. The insurance tax would then be withheld and paid at the expense of the policyholder, if applicable.

5. Value added tax

Contributions to and benefits from reinsurance are VAT exempt in accordance with § 4 No. 10a of the Value Added Tax Act.

6. Inheritance tax

If the employer as the policyholder receives the insurance benefit in the event of the insured person's death, he/she is not liable to inheritance tax.

7. Final notes

The comments reflect the status as of October 25, 2018. The application of these tax rules cannot be guaranteed for the entire duration of the insurance. The above information is only general information. In individual cases, we recommend that you consult a tax consultant or obtain information from the relevant tax office.