

Special Terms and Conditions Governing Incapacity for Work

WIA follow-up insurance

WIA follow-up reinsurance

Insuring the waiver of premiums for old age and surviving dependants' pension premiums in case of incapacity for work

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General

These special terms and conditions serve as an addendum to the general terms and conditions. These conditions apply if:

- a) this is stated in your insurance or reinsurance contract;
- b) the participant is insured or reinsured under the WIA;
- c) a participant has WIA top-up, follow-up gap, foundation or basic insurance or reinsurance, or is insured or reinsured for premium waiver interest; or a combination of the above.

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

Article 1 Definitions

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

1.1 We / us / our

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

1.2 You / your

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

1.3 Participant

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

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

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

In case of reinsurance:

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

- a) has a duty to be insured under the WIA Act;
- b) has entered into a pension agreement with an employer affiliated to you. An invalidity pension is covered by that pension agreement.

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

1.4 Maximum annual WIA benefit basis

the maximum daily wage under the WIA Act multiplied by 261.

1.5 WIA benefit

a benefit pursuant to the WIA Act.

The WIA consists of:

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

1.6 Pay-related WGA benefit

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

1.7 WGA follow-up benefit

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

1.8 WIA indexation

The amount of the WIA benefit may be adjusted every six months. We will also adjust the WGA follow-up gap benefit based on that. Here you can find out more about "indexation" under the WIA Act.

1.9 First day of illness

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

1.10 Reinsurance

Reinsurance applies if a pension fund ensures its participants receive a benefit if they are incapacitated for work (invalidity pension and/or premium waiver interest) and if this pension fund insures the financial risks that this involves with another party. This applies in relation to both invalidity pensions and premium waiver interest.

1.11 Qualifying income

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

1.12 Income

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

1.13 WIA daily wage (uncapped)

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

1.14 Degree of incapacity in practical terms

The extent to which a participant is actually incapacitated as assessed by us based on the income which someone actually earns in practice.

Article 2 Insurance of the WIA top-up pension

2.1 General

Insurance for employees whose annual salary exceeds the WIA benefit basis

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

2.2 Purpose of the insurance

A participant will receive a benefit if he becomes incapacitated.

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

2.3 Waiting period

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

This waiting period is the same as that for the WIA benefit.

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

2.4 WIA top-up pension benefit

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

benefit rate x pension rate x (pensionable annual salary -/- maximum annual WIA benefit basis).

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

This table shows which benefit rate applies in relation to the degree of incapacity.

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

Ensure that we receive a copy of the award decision

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

The pension rate is capped

You will find the pension rate in your insurance contract. This is the rate at which the insured pensionable annual salary exceeds the basis for calculating an individual's maximum annual WIA benefit basis. In this respect we act on the basis of the sum which the relevant participant would receive from you or the pension fund assuming that he was fully incapacitated in accordance with the pension promised him.

One's pensionable annual salary is one's insured annual salary.

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

The basis for calculating the maximum WIA benefit is annual:

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

2.5 Change in incapacity for work

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

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

2.6 Benefit in case of income

If an incapacitated participant has income,

we work, like the UWV, on the degree of incapacity in practical terms. We then follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We then pay out in accordance with the percentages in the table in Article 2.4, but based on the practical incapacity percentage.

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

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

2.7 Measures taken by the UWV

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

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

The relevant participant will notify us of the measure.

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

2.8 Waiver of premiums in case of incapacity for work

A participant may be exempted from the payment of premiums in respect of a WIA top-up pension which has commenced.

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

2.9 Start of the payment entitlement

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

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

2.10 End of the benefit payment

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

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

2.11 No entitlement to the benefit

A participant is not entitled to a benefit if:

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

2.12 Maximum compensation

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

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

Article 3. Insurance of WIA foundation pension

3.1 General

This insurance covers that part of one's salary up to no more than the maximum WIA benefit basis

In this respect, we act on the basis of an employee's insured annual salary. It does not matter what the value of the insured annual salary is in this respect. If this involves reinsurance, we mean the participants of that fund when referring to employees.

3.2 Purpose of the insurance

A participant will receive a benefit if he becomes incapacitated.

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

3.3 Waiting period

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

This waiting period is the same as that for the WIA benefit.

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

3.4 WIA foundation pension

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

benefit rate x pension rate x pensionable annual salary.

We use the benefit percentages stipulated in the table for the purposes of calculation

This table shows which benefit rate applies in relation to the degree of incapacity.

Degree of incapacity determined by the UWV	The insured's benefit rate WIA foundation pension
Less than 35%	0%
35 to 45%	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%
80 to 100%	100%

Ensure that we receive a copy of the award decision

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

The pension rate is capped

You will find the pension rate in your insurance contract. In this respect, we act based on the sum that the participant would receive under the pension commitment of the policyholder or the pension fund if he were fully incapacitated for work.

One's pensionable annual salary is one's insured annual salary (or part of it).

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

The basis for calculating the maximum WIA benefit is annual:

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

3.5 Change in incapacity for work

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

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

3.6 Benefit in case of income

If an incapacitated participant has income,

we work, like the UWV, on the degree of incapacity in practical terms. We then follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We then pay out in accordance with the percentages in the table in Article 3.4, but based on the practical incapacity percentage.

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

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

3.7 Measures taken by the UWV

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

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

3.8 Waiver of premiums in case of incapacity for work

A participant may be exempted from the payment of premiums in respect of a WIA foundation pension.

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

3.9 Start of the payment entitlement

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

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

3.10 End of the benefit payment

Payment of a WIA foundation pension will stop on:

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

3.11 No entitlement to the benefit

A participant is not entitled to a benefit if:

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

3.12 Maximum compensation

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

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

Article 4. Insurance of the WGA follow-up gap

4.1 General

This insurance is for those participants with a WGA follow-up benefit.

A participant will receive this benefit if he utilises less than 50% of his residual earning capacity. This residual earning capacity is the amount that a participant is still capable of earning in spite of his partial incapacity for work.

4.2 Purpose of the insurance

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

If a participant is incapacitated for work and does not earn enough with his residual earning capacity, a gap will arise between his former salary and the WGA follow-up benefit. In this case he will receive a WGA follow-up gap pension to top up his income.

4.3 Commencement of benefits

The WGA follow-up gap pension commences simultaneously with the WGA follow-up benefit.

A WGA follow-up benefit commences after a pay-related WGA benefit.

4.4 WGA follow-up gap benefit

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

benefit rate x (indexed salary -/- minimum salary) x 70%

We use the benefit percentages stipulated in the table for the purposes of calculation

This table shows which benefit rate applies in relation to the degree of incapacity.

Degree of incapacity determined by the UWV	The insured's benefit rate WGA follow-up gap pension
Less than 35%	0%

35 to 45%	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%

Ensure that we receive a copy of the award decision

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

A capped annual salary is indexed annually.

An individual's indexed salary is his insured annual salary which applied on his first day of illness. This amounts to no more than his maximum annual WIA benefit basis on his first day of illness. We index annual salaries on 1 January every year after the first day of illness. Indexation occurs in respect of the period following the first day of illness until and including the first occurrence of 1 January after the first day of illness.

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

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

The legally stipulated salary, including holiday bonus, represents the minimum salary.

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

4.5 Benefit in case of income

If an incapacitated participant has income,

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

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

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

4.6 Measures taken by the UWV

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

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

4.7 Waiver of premiums in case of incapacity for work

A participant may obtain a waiver of premium payments upon the commencement of his WGA follow-up benefit.

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

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

Where a participant's salary has been topped up, he will nevertheless still pay premiums.

If a participant's salary has been topped up to the equivalent of the WIA benefit basis, he will still pay premiums from the salary that he actually earns with his residual earning capacity. This will apply instead of the table above.

4.8 Start of the payment entitlement

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

If a participant is entitled to a WIA follow-up benefit, he will also be entitled to a WGA follow-up gap pension from the same day.

4.9 End of the benefit payment

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

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

4.10 No entitlement to the benefit

A participant is not entitled to a benefit if:

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

4.11 Maximum compensation

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

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

Article 5 Insuring the waiver of premiums for old age and surviving dependants' pension premiums in case of incapacity for work

5.1 General

Insurance for employees who participate in a pension scheme

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

5.2 Purpose of the insurance

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

If a participant loses income due to incapacity, he will have his premiums for his old age and/or surviving dependent's pension(s) waived as provided for in the insurance contract. This insurance will only pay out provided that the participant is still incapacitated for no more than 35% after the waiting period. And for the period during which he is incapacitated for work. A payout under this insurance must be used to pay for the relevant participant's pension facility.

5.3 Waiting period

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

This waiting period is the same as that for the WIA benefit.

- a) If the waiting time via the WIA Act is shorter, the participant will not receive an earlier payment from this insurance.

- b) If the waiting period is voluntarily longer, the participant will only receive a payment on the date on which the WIA benefit commences. He cannot receive an earlier payment via this insurance.

5.4 Disbursement of premium waiver interest

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

benefit rate x annual premiums to be waived

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

This table shows which benefit rate applies in relation to the degree of incapacity.

Degree of incapacity determined by the UWV	The insured's benefit rate premium waiver interest
Less than 35%	0%
35 to 45 %	40%
45 to 55%	50%
55 to 65%	60%
65 to 80%	72.5%
80 to 100%	100%

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

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

We do not always include an increase in entitlements.

When we mention "entitlements" we mean the right to future benefits. If a participant receives premium waiver interest, we do not take an increase in entitlements into account. This refers to entitlements which are the result of the annual premiums. We only include an increase if this is due to a scale.

5.5 Benefit in case of income

If an incapacitated participant has income,

we work, like the UWV, on the degree of incapacity in practical terms. We then follow the practical incapacity percentage that the UWV applies. This means that we reduce the benefit to the same extent. We then pay out in accordance with the percentages in the table in Article 5.4, but based on the practical incapacity percentage.

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

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

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

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

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

5.7 Your obligations

You will provide us with all the information that we need.

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

5.8 Participant's obligations

The incapacitated participant must cooperate in his recovery

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

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

5.9 Change in incapacity for work

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

The waiver of premium payments will change on the date on which the WIA benefit rate alters. We will adjust the new rate, taking Article 5.12 into account.

5.10 Waiver of premiums in case of incapacity for work

A participant may obtain a waiver of premium payments.

If a participant receives a benefit under this insurance because he is incapacitated for work, he need not pay any premium on the portion of the premium to which the exemption applies. The percentages that apply to the waiver of premiums are set out in the second column of the table in Article 5.4.

Ensure that we receive a copy of the award decision

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

5.11 Incapacity for work when the insurance contract is terminated

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

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

5.12 Waiver of premiums after termination of the insurance contract

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

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

5.13 Measures taken by the UWV

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

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

5.14 End of the benefit payment

Payments of premium waiver interest will cease on:

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

5.15 No entitlement to premium waiver interest

A participant is not entitled to premium waiver interest if:

- a) the first day of illness falls before the date on which this insurance became applicable to the participant. In this respect we will have regard to Articles 5.1 and 5.2 of the general terms and conditions;
- b) you have not paid all of the premiums for this insurance until the time when the premium waiver comes into effect;
- c) the participant is subject to a waiting period and fails to comply with his obligations (in relation to reintegration or otherwise). In that case he will not be entitled to salary in accordance with the Dutch Civil Code. He has these obligations in accordance with:
 1. the Dutch Civil Code [*Burgerlijk Wetboek*]
 2. the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*]

- 3. the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*]
- 4. the Sickness Benefit Act [*Ziektewet*]
- d) the participant ceased to be employed before the end of the waiting period of the WIA and, as a result, he is not entitled to an unemployment (WW) benefit;
- e) the grounds for exclusion under the WIA Act apply.

5.16 Maximum compensation

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

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

Article 6. Insuring the WIA basic pension

6.1 General

This insurance is for those employees with an insured annual salary.

It does not matter what the value of the insured annual salary is in this respect. If this involves reinsurance, we mean the participants of that fund when referring to employees.

6.2 Purpose of the insurance

A participant will receive a benefit if he becomes incapacitated.

If a participant loses income due to becoming incapacitated, he will receive a benefit to top up his income. That is the purpose of this insurance contract. This insurance pays out only if the participant is still 15% - 35% incapacitated for work after the waiting period, and for the period during which he is incapacitated for work. If the UWV has not set a percentage, the medical adviser will determine the degree of incapacity for work.

6.3 Waiting period

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

This waiting period is the same as that for the WIA benefit.

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

6.4 WIA basic pension benefit:

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

benefit rate x pensionable annual salary.

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

This table shows which benefit rate applies in relation to the degree of incapacity.

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

Ensure that we receive a copy of the award decision

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

One's pensionable annual salary is one's insured annual salary.

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

6.5 Waiver of premium payments in case of incapacity for work

A participant may be exempted from the payment of premiums in respect of a WIA basic pension.

If a participant receives a benefit under this insurance because he is incapacitated for work, he need not pay any premium on the portion of the WIA basic pension that he receives. You will find the relevant rates in Table 6.4.

6.6 Start of the payment entitlement

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

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

6.7 End of the benefit payment

Payment of a WIA basic pension will stop on:

- a) the date on which a participant is 35% - 100% incapacitated for work in accordance with the UWV's determination;
- b) the date on which a measure is imposed on the relevant participant in accordance with the WIA Act or the Social Security Measures Decree. We also take account of the period and extent of the measure;
- c) the day after the agreed date on which the relevant participant's cover expires. That expiry date is stipulated in the insurance contract;
- d) the date on which the participant dies.

6.8 No entitlement to the benefit

A participant is not entitled to a benefit if:

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

6.9 Maximum compensation

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

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

Disclaimer

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