

Special Terms and Conditions WP-I

Insurance of the waiver of premiums

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Waiver of premiums in case of incapacity for work

For insurance taken out through Elips Life AG

These special terms and conditions supplement the general terms and conditions of the mortality risk insurance. These conditions apply if:

- a) this is stated on your insurance contract;
- b) a waiver of premiums in case of incapacity for work is also insured.

The special terms and conditions take precedence over the general terms and conditions D. The insurance contract takes precedence over the special terms and conditions.

Article 1 Definitions

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

1.1 We / us / our

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

1.2 You / your

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

1.3 Participant

The employee whom you employ and who performs work as agreed with you in a contract. The insurance is taken out on the life of the employee. 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 WIA

The Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*] (WIA)

1.5 UWV

The Dutch Employee Insurance Agency [*Uitvoeringsinstituut Werknemersverzekeringen*].

1.6 Incapacity for work

We refer to incapacity for work if a participant is unable, or not fully able, to perform work due to illness, an accident or other problem and the UWV confirms this within the meaning of the WIA.

1.7 First day of illness

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

1.8 Waiting period

An incapacitated participant no longer has to pay premium after a minimum period of incapacity for work. This period is called the waiting period. This waiting period is as long as the waiting period for the WIA benefit. This is a minimum of 104 weeks.

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

If the participant has been fully fit for work for four consecutive weeks and then is absent again through illness, the waiting period restarts.

1.9 Income

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

1.10 WIA daily wage

We base our calculations on the daily wage as stated in the UWV's award decision. This is based on the WIA.

1.11 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 General

2.1 Purpose of the insurance

A participant no longer has to pay premiums if he becomes incapacitated for work

If a participant loses income due to incapacity for work, he no longer has to pay premiums for the main insurance. That is the purpose of this insurance contract. This insurance grants a waiver of premiums if the participant is still at least 35% incapacitated for work after the waiting period and for the period during which he is incapacitated for work.

2.2 Acceptance of participants

We accept participants in accordance with the general terms and conditions

The rules for acceptance are set out in the general terms and conditions. Cover exists only if the participant on the date of acceptance of this insurance:

- a) is not incapacitated for work; and
- b) performs the work that you have agreed with him.

Incapacity for work due to an existing illness is not covered

If a participant becomes incapacitated for work and the first day of illness that led to incapacity for work is not within the insured contract period, this will not be covered.

In case of acceptance after a medical examination, we may adjust the premium and conditions

We may do the following:

- a) increase the premium;
- b) exclude the causes of incapacity for work from cover;
- c) reduce the period of cover;
- d) refuse acceptance.

Article 3 Waiver of premiums

Start of the entitlement to waiver of premium payments

We comply with the UWV's decision under the WIA. If the employee is entitled to a WIA benefit, he will also be entitled to a waiver of premium payments from that same day. The waiting period as referred to in Article 1.8 of these terms and conditions applies.

Communicate incapacitated employees to us via the report form

If you think that your employee is entitled to a waiver of premiums, notify us of this using the 'incapacitated employees' report form. You can find this form at www.elipslife.com/nl. Send the completed report form to us as soon as possible, but no later than 42 weeks after the first day of illness.

Ensure that we receive a copy of the award decision

If we think that a participant is entitled to a full or partial waiver of premiums, we will comply with the UWV's award decision under the WIA. Ensure that we receive a copy of this decision as soon as possible. The waiver has retroactive effect to 12 months before the date on which we receive the award decision. This prescription does not apply if the main insurance policy falls under the Pensions Act [*Pensioenwet*].

Article 4 Obligations in case of incapacity for work

4.1 Your and the participant's obligations

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

- a) You must cooperate in order to encourage the recovery and/or the reintegration of the incapacitated participant, for example, by adapting or changing the work activities. Do not do anything which stands in the way of the recovery or reintegration.

- b) Ensure that the UWV and/or expert service provides support to incapacitated participants during reintegration.
- c) Comply with the obligations laid down in the Working Conditions Act [*Arbowet*], the Eligibility for Permanent Incapacity Benefit (Restrictions) Act [*Wet verbetering poortwachter*], the Dutch Civil Code [*Burgerlijk Wetboek*], the Sickness Benefits Act [*Ziektewet*] and the WIA.
- d) Comply with our recommendations in relation to reintegration.

4.2 Your obligations

In case of incapacity for work, you must provide us with all the information we need

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

4.3 Participant's obligations

The incapacitated participant must cooperate in his recovery

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

Article 5 Extent of waiver

A participant may receive a waiver of premiums after the waiting period

If a participant has fulfilled all the conditions, he will receive a waiver of premiums after his waiting period (at least 104 weeks).

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

This table shows the premium waiver percentage for each degree of incapacity for work.

Degree of incapacity for work as determined by the UWV	Premium waiver percentage
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%

Article 6 Change in incapacity for work

We adjust the waiver in case of 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 percentage, we adjust the waiver of premium payments according to the lower percentage. We do this on the change date. If the contract stops, the conditions of Article 11 apply after the UWV's decision.

Article 7 Benefit in case of income

If an incapacitated participant has income,

we work, like the UWV, on the degree of incapacity in practical terms. We follow the percentage that the UWV deducts, meaning we reduce the premium waiver to the same extent. We then pay out in accordance with the table in Article 5.

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

For example, we may ask for a copy of his income tax return. The participant must then give this to us.

Article 8 Increasing the insurance

The waiver of premium payments does not apply to an increase of the insured amount

We work on the insured amount on the first day of illness for the premium waiver.

An exception applies to the Anw shortfall insurance

If the insured amount increases due to the statutory adjustment of the Anw amount, the premium waiver also applies to this amount.

Article 9 Exclusions

9.1 Excluded

A participant who is incapacitated for work will not receive any premium waiver in the following instances

If the incapacity for work arises or worsens due to one of the causes referred to below. It does not matter whether this is an indirect or direct consequence. The causes are:

- a) intent, deliberate or unintentional recklessness of the participant. By intent we also mean attempted suicide;
- b) during or as a result of participating in a foreign armed service;
- c) as a result of a nuclear reaction, irrespective of how this arises;
- d) civil unrest. The following situations are defined as civil unrest:
 1. an armed conflict, namely any instance in which states or other organised parties fight each other, or at least one fights the other, using military force. Armed conflict also means armed action by a United Nations peacekeeping force;
 2. civil war, namely a more or less organised violent conflict between residents of one and the same state, involving a significant number of the residents of that state;
 3. an uprising, namely organised violent resistance within a state directed against the public authorities;
 4. domestic civil unrest, namely more or less organised violent actions which occur at various places within a state;
 5. rioting, namely a more or less organised, local, violent movement directed against the public authorities;
 6. rebellion, namely a more or less organised, violent movement of members of some armed power, directed at the governing authorities;

9.2 Not excluded

An incapacitated participant will receive a premium waiver if the incapacity for work is due to:

- a) civil unrest in an area outside the Netherlands if the participant travels across or through that area before the situations mentioned in Article 9.1d arise, or resides in that area for the purpose of practising his profession, and cannot leave or avoid the area in time. The participant must then comply with the instructions of the Dutch or local authorities;
- b) Radioactive nuclides which, in accordance with their purpose, are outside a nuclear facility and are used or are intended to be used for industrial, commercial, agricultural, medical, scientific, educational or military or non-military security purposes, provided a valid permit has been issued by a competent authority (insofar as necessary) for the manufacture, storage and disposal of radioactive substances. The term 'nuclear facility' means a nuclear installation within the meaning of the Nuclear Incidents (Third Party Liability) Act [*Wet aansprakelijkheid kernongevallen*] (Bulletin of Acts and Decrees [*Staatsblad*] 1979-225), as well as a nuclear installation on board of a ship.

Article 10 End of waiver of premiums

The participant does not receive any waiver or further waiver of premiums if:

- a) he dies;
- b) the end date has been reached for the cover for which the waiver of premiums applies;
- c) the incapacity percentage does not entitle the participant to a waiver. We base this on the incapacity percentage determined by the UWV. The benefit percentage is determined in accordance with the table in Article 5 or, in case of income, with the calculation in Article 7;
- d) you or the participant fails to comply with the obligations of Article 4.

The waiver of premiums stops after the agreed end date

This is no later than the day after the agreed end date of the benefit as specified in the insurance contract.

Article 11 Premium waiver after termination of the insurance contract (runoff cover)

11.1 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. The waiver of premium payments applies even after the insurance contract stops.

11.2 Waiver of premiums after termination of the insurance contract

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

- a) These benefits are no longer subject to any changes in the WIA. We act on the basis of the WIA applicable at the time when the insurance contract terminated.
- b) The obligations in these insurance terms and conditions continue to apply to incapacitated participants who receive a waiver of premiums.
- c) If no incapacity percentage has yet been determined under the WIA when the insurance contract is terminated, the maximum is the incapacity percentage that is subsequently determined as the first based on the WIA.
- d) We take changes in the WIA benefit percentage into account only if the percentage decreases or if the participant no longer receives a premium waiver.

Article 12 Miscellaneous

The general terms and conditions apply in all other cases

The general terms and conditions are set out in the contract. These also apply to the insurance of the waiver of premiums in case of incapacity for work.

Disclaimer

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