

General Terms and Conditions INC-I

Insurance of incapacity interest

July 2021 version



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General Terms and Conditions INC-I

Introduction

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. A participant:

- a) is obliged to be insured under the WIA – i.e. the 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.

1.4 Beneficiary

The person for whom the benefit is intended. The insurance contract states which person is the beneficiary. This can be a company (a legal person) or an individual (a natural person). In these terms and conditions, we refer to 'the participant' as the beneficiary. We do this in order to keep the text easy to read.

1.5 WIA

The Work and Income (Capacity for Work) Act.

1.6 UWV

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

1.7 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.

1.8 Long-term incapacity for work

A participant is incapacitated for work in the long term if:

- a) the waiting period is over; and
- b) the UWV has declared the participant at least 35% incapacitated for work under the WIA; and
- c) based on this he actually receives a benefit under the WIA.

1.9 First day of illness

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

1.10 Waiting period

We pay the first benefit after a minimum period of 104 weeks of incapacity for work. This period is called the waiting period. It starts on the first day of illness. If the participant has been fully fit for work for four consecutive weeks during the waiting period and then is absent again through illness, the waiting period restarts.

1.11 Incapacity interest

The right to a benefit when a participant becomes incapacitated for work in the long term. This right arises from your pension scheme. How exactly we give shape to this right is described in the insurance contract and the special terms and conditions.

1.12 Maximum insurable amount

We insure a maximum amount for each participant. This maximum is the sum of all insured amounts for each participant, in all insurance contracts between you and us. This amount is specified in your insurance contract as the 'liability'.

1.13 Statement

A statement is a list of the participants' data. We will provide you with a form that you can complete for this purpose.

1.14 Employee

We use the definition of 'employee' stipulated in Section 8 of the WIA. The employee must be insured for the WIA.

1.15 Insurance contract

An agreement in which we commit to reimbursing the loss suffered by the insured participant. You pay a premium for this agreement. We only reimburse if you and the participant fulfil the conditions.

1.16 Administration agreement

An insurance contract between an employer and an insurer. The purpose of this agreement is to administer the pension agreement that the employer has concluded with its employee(s). This is defined in Section 1 of the Pensions Act.

Article 2 General

2.1 Purpose of the insurance

A participant receives a benefit if he becomes incapacitated for work in the long term

If a participant loses income due to incapacity for work, he will receive a benefit to supplement his income and/or to pay old age and surviving dependants' pension premiums.

2.2 Our agreements

All our agreements with you are recorded in writing

We will provide you with two or three different documents. These documents contain all the agreements we make with you about your insurance policies. Any verbal agreements or agreements in other documents are no longer applicable. You will always receive the insurance contract and the terms and conditions. You will receive the special terms and conditions only for certain types of insurance.

Order of importance

The insurance contract takes precedence over the special and general terms and conditions. The Special Terms and Conditions take precedence over the general terms and conditions. For example, if the insurance contract and general terms and conditions contradict each other, the provisions of the insurance contract will apply.

2.3 Changes to the pension regulations

Let us know if anything changes in the pension regulations

The pension regulations are the basis for the insurance contract. We assume that the pension regulations will not change. However, if something changes and we believe this has consequences for the insurance contract, we will talk to you again about the terms and conditions. We will then work with you to see whether we should terminate the insurance or need to adapt the terms and conditions. If we choose to amend the insurance contract and you agree, the amendment will apply only if we have confirmed it to you in writing.

2.4 Assigning your rights

You cannot commute your rights from the insurance contract or assign them to another person

That means you cannot:

- a) commute these rights;
- b) borrow money on these rights;
- c) alienate these rights;
- d) relinquish these rights; or
- e) use them as collateral.

2.5 Informing participants

We send the participants all the information they need

Participants receive information from us on four occasions:

- a) At the start of the insurance, each participant receives their Pension 1-2-3.
- b) Every year, each participant receives a uniform pension statement.
- c) If a participant no longer participates, he receives a termination letter.
- d) If a participant receives a pension benefit, he receives a statement of the pension benefits to which he is entitled.

Acceptance and cover

Article 3 Beginning and end of the insurance contract

3.1 Beginning and end of the insurance

The start and end date of the insurance can be found in the insurance contract

After the end date, we will renew the insurance contract automatically. The period by which we will renew the insurance contract is stated in the insurance contract.

3.2 Terminating the insurance contract

You may give notice of termination of the insurance contract up to two months before the end date

For example, if your insurance contract runs up to and including 31 December, you can cancel it up to and including 31 October. Send us a letter or email for this purpose. The insurance will then stop after the end date. The reverse also applies. We are also allowed to cancel up to two months in advance by letter or email.

In exceptional circumstances, you or we are allowed to cancel the insurance contract with immediate effect

By this we mean if either of us are put into liquidation or apply for a suspension of payments. If such circumstances occur in your or our situation, the party affected is obliged to inform the other party as soon as possible. We will inform you and the insured persons about the consequences.

Article 4 Offer and acceptance of incapacity risks

4.1 Notification and acceptance of participants in case of compulsory participation

You must notify us of all participants within two months

The participants are employees whom you employ and who do the work that they have agreed with you in a contract. The employer gives us notice of an employee within two months of:

- a) the start of this insurance;
- b) the employee becoming eligible to participate.

If you do not do this on time, we cannot send the new participants a Pension 1-2-3 in time.

We are obliged to do this by law. The supervisory authority can fine us for sending the Pension 1-2-3 late. If this happens because you failed to give us notice of the new employee on time, we will hold you responsible for the costs. We will charge you for these costs.

We automatically accept all participants up to the free acceptance limit

The free acceptance limit is an amount that we agree with you. You will find this amount in your insurance contract.

The participants are insured up to the maximum amount

You cannot insure the participants for an amount exceeding the maximum amount. The maximum amount is specified in your insurance contract. We refer to this maximum amount in the insurance contract as the 'liability'.

If you fail to register employees and we pay out, you will have to repay those amounts

If a participant becomes incapacitated for work, but is not registered with us, we may still have to pay out. In this case, you must repay those amounts to us. We may also claim additional compensation from you.

4.2 People who change their minds

Someone who has changed his mind must submit medical details

A person who has changed his mind is someone who initially did not wish to be insured for incapacity for work, but now wants to be insured, or insured for a higher amount. We may request a health declaration or an examination by an internist. This is explained in the document 'Medical guarantees', which can be obtained from the 'Downloads' section of our website. We are also allowed to have an additional examination performed and to request extra clarification from a doctor. You will have to pay the costs of the medical examination. If the risk of incapacity for work has increased, we may increase the premium and additional conditions could apply. We may also decide to exclude participation.

4.3 Notification and acceptance of participants in case of voluntary participation

You must give notice of a participant within two months of him registering with you

If employees are not obliged to take out this insurance, yet wish to be insured, they must register at their employer themselves within three months of:

- a) the start of this insurance;
- b) the employee taking up employment;
- c) the right to participate arising, for example if the employee receives a salary increase.

The employer then notifies us of the employees directly within no more than two months.

We automatically accept participants who have registered with their employer within three months up to the free acceptance limit

The free acceptance limit is an amount that we agree with you. You will find this amount in your insurance contract. We automatically accept all voluntary participants who register on time.

4.4 Registering late in case of voluntary participation

A participant must submit medical data if he registers late

If an employee applies for this insurance after three months, we may request a medical declaration or a medical examination report from a general practitioner or a specialist in internal medicine. This is explained in the document 'Medical guarantees', which can be obtained from the 'Downloads' section of our website. We are also allowed to have an additional examination performed and to request extra clarification from a doctor. You will have to pay the costs of the medical examination. If the risk of incapacity for work has increased, we may increase the premium and additional conditions could apply. We may also decide to exclude participation.

4.5 Increasing participants' income

We automatically accept an increase in participants' income

We accept the increase to the level of the maximum insurable amount.

We do not accept an increase in participants' income if:

- a) it involves one or more salary increases of more than 25% per year;
- b) the increase relates to an earlier choice that a participant reverses;
- c) it concerns the income of an incapacitated participant who is in the waiting period.

4.6 Expansion due to merger or takeover

We do not accept new employees automatically after a merger or takeover

We will first make written agreements with you for the insurance of these new employees.

4.7 Risks not covered by the insurance

We do not insure risks that are not covered by this insurance

If we have received a premium from you for risks that are not covered by the insurance or by the terms and conditions, or for participants whom we did not wish to accept, we will not insure the risks in question. We will refund the excess premium that you have paid for these participants.

4.8 Registering participants who are incapacitated for work

We accept incapacitated participants under additional conditions

We use the terms and conditions of the 'Covenant on cover for occupational disability pension and premium waiver in the pension scheme' [*Convenant over dekking van arbeidsongeschiktheidspensioen en premievrijstelling in pensioenregeling*] as a basis (you can find this document at www.elipslife.com/nl/nld/downloads). Among other things it states that we do not accept new participants who are already incapacitated for work on the commencement date of the insurance. If anything changes in this covenant, the change will immediately apply to you and us.

Article 5 Commencement, duration and end of the risk and term of cover

5.1 From when are participants insured?

Participants are immediately covered after automatic acceptance

This also applies in case of an automatically accepted increase in income. There is cover only insofar as the participant:

- a) is 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 this is due to a cause that already existed in the four weeks before the insurance contract was formed, this will not be covered.

If there is no automatic acceptance, the insurance applies only after the medical information is provided

We will notify you in a letter or e-mail when the insurance commences. We will therefore let you know under which conditions we have accepted the insurance.

5.2 Insured and uninsured

The basis for this insurance is the pension agreement between you and your employees

This insurance provides cover only insofar as this follows from the pension agreement. We are never liable for more than has been agreed in the administration agreement.

A participant is no longer insured if:

- a) you stop the insurance contract for this participant or all participants;
- b) the participant no longer fulfils the conditions for participation, the insurance conditions or the conditions for participation in the pension scheme;
- c) the participant resigns, is dismissed or suspended;
- d) the participant reaches his retirement age or retires early;
- e) the participant performs work that, compared to the start of the scheme, is not usual for your organisation;
- f) the participant dies.

You are not insured for costs relating to legal liability

If you or an insured person are legally liable for something and must incur costs as a result, we will not reimburse you. For example, in case of compensation or a fine that you have to pay in court.

5.3 Paid and unpaid leave

A period of leave can have consequences for the insurance

Short-term leave paid by the employer and the statutory leave arrangements do not affect cover. For participants on long-term leave, whether paid or unpaid, maximum cover is for 18 months. Note: if a participant falls ill during long-term leave, the first day of illness equates to the first day after the end of the leave. The premium must continue to be paid during the leave.

Article 6 Duty of disclosure and consequences

6.1 Obligation to provide information

You must provide us with all the information we need

The insurance policies and determination of the relevant premiums are based on the information supplied to us for this purpose by you and/or your current or former employee. Before taking out any insurance and during its term, you and/or your current or former employees are required to notify us of all relevant information that you and/or your current or former employees are or ought to be aware of. This refers to information that you and/or your current or former employees know or ought to understand our decision is or may be dependent on and, if so, the conditions and premiums subject to which we would like to agree to such insurance or the risks associated with incapacity for work that we would be prepared to cover during the term of the insurance. This duty of disclosure does not relate to information in respect of which questions may not be legally asked.

6.2 Consequences if we do not receive all the relevant information

If we do not receive all, or receive incorrect, information, that will also have consequences

The consequences differ for each situation:

- a) The participant does not give all or gives incorrect information. In that case, we may adjust the benefit. The participant then receives less or no benefit at all.
- b) If you intentionally do not give all or give incorrect information, we will assume that the participant was not at fault. And we pay as normal. In this case, you must repay those full amounts to us.

Article 7 Statements and information

7.1 Statement

You must send us a list within two months in the following situations:

- a) At the start of the contract;
- b) On 1 January of each year the contract is in force;
- c) At the start of a new participant's employment;
- d) At the end of a participant's employment;
- e) If a change in a participant's data occurs that is relevant to the insurance for example in case of death.

We may increase the premium by 5% if you submit the annual statement after 1 March

If your contract is profit-sharing that year, we will not take the premium increase into account for the profit-sharing calculation.

7.2 Relevant information

You must send us all relevant information and documents as soon as we request them

We will let you know which information and documents we need in order to implement the insurance properly.

The information that you send us must be complete, accurate, not misleading, and truthful at that point in time

This applies at the beginning of the insurance, during the term of the insurance, and during claim settlement.

Article 8 Exclusions

8.1 Excluded

A participant who is incapacitated for work will not receive any benefit 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) The participant participates in a non-Dutch armed service.
- c) Nuclear reactions, irrespective of how they arise.
- d) Civil unrest. Civil unrest means:
 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 is also deemed to refer to armed action by a UN 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;

8.2 Not excluded

An incapacitated participant will receive a benefit if the incapacity for work is the result of:

- a) civil unrest in an area outside the Netherlands, but only if the participant travelled across or through that area before the situations mentioned in Article 8.1d arose, or is staying in that area in order to carry out his work. The participant must then comply with the instructions of the Dutch or local authorities; This only applies if the participant was unable to leave or avoid the area on time.

- 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 9 Failure to comply with obligations

If you fail to fulfil your obligations resulting from this insurance contract, this will have consequences for the payment

If you fail to fulfil your obligations, or you do so late or only partially, and that is to our disadvantage, we can choose not to pay the benefit, or only to pay a partial benefit. If you have deliberately misled us, you will no longer be entitled to a benefit.

Provision of insurance

Article 10 Reporting incapacity for work

You must report any loss that may lead to incapacity for work to us as soon as possible

You must do this by no later than 42 weeks after the first day that the participant is no longer able to work due to illness, accident, other problems, pregnancy or childbirth. You should use the Report form for employees who are incapacitated for work. You can request this form by emailing claims.nl@elipslife.com.

Article 11 Benefit in case of incapacity for work

11.1 Payment of benefits

In case of incapacity for work, we will pay in accordance with the 6-class system of the WIA

We look at the UWV's award decision for the degree of incapacity for work. We also comply with the special terms and conditions and additional provisions contained in the insurance contract. If the UWV's award decision only states the remaining earning capacity and no degree of incapacity for work, we calculate the degree of incapacity of work ourselves. We then look at what the participant can still earn. We compare this with what the participant could earn before the incapacity for work. The difference between them indicates the degree of incapacity for work. The waiting period that we have agreed with you applies in any case.

The benefit is always related to the insured salary on the reference date

The amount of the benefit is related to the insured salary on the reference date. This reference date is 1 January before the first day of illness.

A participant receives less or no benefit in case of a UWV measure

If a participant is not entitled to a WIA benefit or only to a partial WIA benefit, and this is due to a measure under the WIA or in the Social Security Acts (Measures) Decree [*Maatregelenbesluit Socialezekerheidswetten*], the participant will also receive less or no incapacity benefit from us. This lasts as long as the measure is imposed on the participant by the UWV (or by you if you are a WGA self-insurer). When adjusting the amount of the benefit, we follow the amount of the imposed measures.

11.2 Benefit in case of a medical exclusion

If the policy specifies a medical exclusion, we will investigate first

Based on this investigation, we determine whether or not to pay. Note: this supplements Article 13.1 of these terms and conditions. This is how we investigate:

- a) We look at how much the participant can still earn, and what he could earn before the incapacity for work. We compare these figures with each other and notify you of our decision.

- b) If we think that a further medical or occupational consultant's examination is still needed, you must ensure that the participant is examined by a doctor or an occupational consultant. We designate the doctor or occupational consultant. We may request additional medical or occupational consultant's examinations. We may also request further information from the general practitioner or treating specialist. The participant authorises us to do this. We only do this if we consider it necessary.
- c) We pay all the costs of determining the incapacity for work. The participant pays only his travel and accommodation costs.

If we believe the incapacity for work is unrelated to the excluded cause, we pay in accordance with the 6-class system.

Article 12 Obligations in case of incapacity for work

12.1 Your and the participant's obligations

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

- a) Report the loss to us as soon as possible.
- b) 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.
- c) Ensure that the UWV and/or expert service provides support to incapacitated participants during reintegration.
- d) 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.

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

12.3 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 seek treatment as soon as possible from a qualified doctor and be supervised by an expert service which we have approved.
- b) The participant must cooperate if others give him the opportunity to reduce the incapacity for work or to start working again.
- c) 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.
- d) The participant must send us a payroll tax statement or authorise us to pay the pension instalments to the policyholder.
- e) 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).
- f) The participant must inform us immediately if he starts working more or less.
- g) The participant must inform us of any changes to his home address and/or his bank account number.

12.4 Failure to comply with obligations in case of incapacity for work

If you fail to fulfil your obligations, this will have consequences for the benefit

If you fail to fulfil your obligations, or do not do so on time, and this to our detriment, we can opt not to pay out in case of incapacity for work, or to only make a partial payment. If you have deliberately misled us, you will no longer be entitled to a benefit. You will be required to repay any wrongly received benefits to us.

Article 13 Payment of the incapacity interest

13.1 Payment of benefits

We pay only if we are sure that the incapacitated participant is entitled to a benefit

We first establish that you and the participant fulfil all the conditions for payment.

13.2 Paying the participant

We pay the benefit directly to the incapacitated participant

We deduct the statutory levies and premiums from the benefit. The beneficiary receives a payment from us at the end of every month. If the participant is incapacitated for only part of the month, we only pay for that part. If we have overpaid, the beneficiary must repay this as soon as possible. And if we have not withheld certain levies or premiums, when we should have, a participant can also authorise us to pay the benefit to you.

13.3 An exception applies to the waiver of premiums for old age and surviving dependants' pension

We pay the benefit directly to the premium pension institution (PPI) or general pension fund (APF)

We pay the premium waiver benefit for old age and surviving dependants' pension after retirement date directly to the PPI or APF. We pay at the end of every month. If the participant is incapacitated for only part of the month, we only pay for that part. If we have overpaid, the beneficiary must repay this as soon as possible, including if we have not withheld certain levies or premiums that we should have.

13.4 Payments abroad

We only pay the benefit to a bank account in the Netherlands

However, we can make an exception to this rule. If we give permission for the payment to be made to a foreign account, we may impose additional requirements. Examples include requirements relating to establishing the identity of the beneficiary, to tax rules, other legislation or legal enforceability. The costs of foreign transfers and additional administrative acts are payable by the beneficiary.

13.4 Levies and revision interest

We may set off government levies and revision interest against the future benefit payment

If we have already paid benefits, we may recover the levies and revision interest from the beneficiary and/or recipient(s) of the benefit. The beneficiary and/or recipient(s) must repay us the amount as quickly as possible after our request.

Article 14 Reimbursement of the reintegration costs

We also reimburse part of the reintegration costs

However, we do this only if you ask our prior consent to incur these costs and we have confirmed this consent in writing. The costs in question will not be included in the normal costs for medical treatment. If you can also have these costs reimbursed on the grounds of a different contract or provision, that other contract or provision will take precedence.

Article 15 Concurrence

We do not pay if you can also get a benefit from a different contract or provision

We do not pay if – and insofar as – the incapacity interest or waiver of premiums:

- a) is also insured by another insurance contract or other provision; and
- b) you are entitled to a benefit from this other contract or provision; or
- c) could receive a payment if this insurance contract did not exist.

It does not matter what the start date of that other contract or provision is.

Article 16 Recourse

16.1 Incapacity for work caused by another party

You and the participant recover the loss if another party is liable

If the incapacity for work of a participant has been caused by another party, and that other party is liable for the loss, you should recover the loss from this other liable party and inform us as soon as possible. You and the participant must update us on any developments. If the other party reimburses the loss, you should let us know immediately. If you do not recover the loss yourself, you and the participant will give us permission to recover the loss and/or costs from that other party. In that instance, you and the participant must provide us with all the information we need.

16.2 The benefit as an advance

If you can recover the loss from another party, the benefit will be an advance

As soon as the other party compensates you for all or part of your loss and expenses, you must forward all or part of the benefit to us.

Article 17 Payment of benefits after termination of the insurance contract (run-off cover)

17.1 Incapacity for work when the insurance contract is terminated

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

If the participant's first day of illness falls within the contract period, the participant remains insured and the insurance contract with policy conditions continues to apply to him.

17.2 Payment of benefits after termination of the insurance contract

Payments after the insurance contract has been terminated are 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 benefit.
- c) We do take changes in the benefit percentage of an occupational disability pension into account. It does not matter whether it increases or decreases. We take changes in the benefit rate into account for the premium waiver interest only if the rate decreases or the benefit stops completely.

Premium

Article 18 Determination of the insurance premium

18.1 Determining the premium

We determine the premium

We agree a premium rate with you for this purpose. We take into account all policy conditions and additional conditions that could apply on medical grounds. If we agree an age-dependent rate with you, we look at the age of a participant when the insurance starts. Our calculation is done in whole years. We then redetermine the premium on 1 January of each year, again taking into account all policy conditions and additional conditions that could apply on medical grounds.

18.2 Adjusting the premium because of changes in the participants

Changes in the participants must be communicated as soon as possible

These changes affect your premium. You can read more about your obligations to send information in Article 7. We use this information to calculate whether your premium needs to be adjusted. At the end of a calendar year, we set off the differences against the premium you have already paid. You will either receive a refund or need to pay in.

18.3 Adjusting the premium because of group changes

We can agree that the premium will be adjusted only because of group changes

The previous article (18.2) will then not apply to you; this article (18.3) will apply instead. If we agree this with you, it will be specified in the insurance contract.

A change is considered to be a group change if:

- a) the change applies to at least 5% of the participants; and
- b) this 5% consists of at least five participants; and
- c) the change commences at the same time for the whole group. Here we mean changes during the year that commence after 1 January and that have not been reported with the annual statement.

In case of group changes, we calculate a new premium for each part of the year.

The premium you pay for the part of the year after the change is different from for the part before it.

18.4 You do not pay a premium for participants who are fully or partially incapacitated for work

You pay a premium for an incapacitated participant until the benefit commencement date

After that, he will no longer be insured. If a participant becomes fully or partially incapacitated for work, you still pay premiums for the calendar year in which the benefit starts. In the following calendar year, you do not pay any premium for this participant as long as he is incapacitated for work. If the participant is partially incapacitated for work, you will not pay any premium on that part.

18.5 Premium for participants who are no longer eligible for benefits

You do not pay a premium for participants who are no longer entitled to a benefit

These are participants who are no longer eligible for benefits as a result of:

- a) their age on 1 January of the calendar year for which you pay; and
- b) the agreed waiting period.

18.6 No risk

In a year without insured participants, you will not pay any premium

However, you will pay for our expenses. We will agree a reasonable amount with you.

Article 19 Premium payments

19.1 Payment

You pay the premium on 1 January of each year

You will receive an invoice from us during January. You pay in advance, i.e. for the following year. The payment period is within 30 days of the invoice date. If we have agreed a different payment date with you, this will be specified in the insurance contract.

Your premium is based on the number of participants on the payment date

If you have not submitted a statement by the time we send the invoice, we then proceed on the basis of the last statement you have submitted.

You pay the premium as an advance

If you send us a supplementary statement after the premium has been paid, and your premium changes as a result, depending on the arrangements in the insurance contract, you will receive an invoice from us for this immediately or at the end of the year. You will either receive a refund or pay in. If you have to pay extra, you must do so within 30 days of the invoice date. If you are entitled to a refund, you will also receive this within 30 days of the invoice date. Outstanding differences in the premium are settled at the end of the year.

19.2 Non-payment or late payment

If you fail to pay or pay late, the cover expires

This applies to payment of the premium as well as to additional invoices.

In case of premium arrears, we comply with the rules laid down in the Pensions Act

This means that we will do our utmost to get the unpaid premium from you, so we can show that we have tried our best. If we cannot obtain payment of the unpaid premium, we will inform the participants of the premium arrears amount. All participants are then still insured for a maximum of three months. After these three months, we stop the contract. You must pay the premium for those three months as normal.

If the insurance is stopped because you did not pay your premium, we will charge compensation

After all, we are then missing out on income. If we charge compensation for lost income, we will determine an amount that is reasonable and fair.

19.3 Incorrect settlements

We rectify incorrect settlements in the subsequent settlement

This is what happens if a settlement is subsequently incorrect or incomplete.

Change of the risk

Article 20 Changes of the risk

20.1 Changes in your organisation

If your organisation changes drastically during the contract period, you must let us know

We reserve the right to terminate the contract early, or to amend the terms and conditions and/or to adjust the premium if one of the following situations occurs:

- a) More than 20% of your employees are seconded to a different company;
- b) Your organisation's legal structure changes;
- c) your organisation is involved in a merger, restructuring, the acquisition of a business, division or a similar change;
- d) The number of employees or your total wage and salary bill increases by 20% or more within one insurance year;
- e) the policyholder changes or completely ceases the business activities;
- f) the policyholder's business location is no longer in the Netherlands.

Revision of rates and/or terms and conditions

Article 21 Revision of rates and terms and conditions

21.1 Interim change

We may make interim changes to the premium and the terms and conditions

An interim change applies to all insurance policies covered by these general terms and conditions. We only make interim changes to the premium or terms and conditions if there is a good reason for doing so, for example, if the law, regulations or other stipulations change and if that has a major effect on how our insurance policies work.

An interim change does not apply to incapacitated participants

If an incapacitated participant already receives a benefit from us, this will remain the case as long as he is incapacitated for work. The conditions do not change for him.

Adjusting the insurance if there is war in the Netherlands

The insurance contract is adjusted as soon as the Dutch Central Bank [*De Nederlandsche Bank*] determines that the Netherlands is in a state of war. The benefits of this insurance are reduced by 10% in this situation. The Financial Transactions (Emergencies) Act [*Noodwet financieel verkeer*] can also impose measures on the insurer. After the end of the state of war, we will determine whether the reduction of benefits was necessary.

21.2 Rejection of interim change

You may reject an interim change to the premium or terms and conditions

You will receive a letter from us if an interim change occurs, detailing what we are changing and when it is going to take effect. You will then have 60 days after the date on which the letter is sent to respond. If you inform us in a letter or email that you wish to reject the interim change, the insurance contract will stop when the interim change takes effect. If you do not let us know within the 60-day time limit, we will assume that you agree to the interim change.

Other provisions

Article 22 Risk of terrorism

Are you insured for incapacity for work due to terrorism?

You are insured for terrorism only if the 'terrorism cover' clauses schedule is part of the insurance contract. We have re-insured loss due to terrorism with the Dutch Terrorism Risk Reinsurance Company [*Nederlandse Herverzekeringsmaatschappij voor Terrorisemeschaden N.V.*] (NHT). The NHT decides whether loss due to terrorism is insured and, if so, for which amount. You can read more about this in the terrorism cover clauses schedule.

Article 23 Currency and applicable law

The monetary amounts in this insurance contract are in euros.
Dutch law applies to the insurance contract.

Article 24 Protection of personal data

24.1 Privacy

We treat all data relating to you and the participants as confidential

We use those data to:

- a) assess and accept potential policyholders and participants;
- b) conclude and perform insurance contracts;
- c) maintain our relationship with policyholders and existing or potential participants;
- d) make and receive payments;
- e) prevent and combat fraud;
- f) comply with the law;
- g) make anonymised statistics.

The current or potential participant is entitled to:

- a) request access to the personal data we process about the current or potential participant;
- b) ask us to correct personal data if that is necessary;
- c) object against the further processing of personal data or request the processing be restricted;
- d) request the removal of the personal data we process about the current or potential participant.

We comply with the Code of Conduct for the Processing of Personal Data by Insurers [*Gedragcode Verwerking Persoonsgegevens Verzekeraars*] and our Privacy Statement

The code of conduct has been drawn up by the Dutch Association of Insurers [*Verbond van Verzekeraars*]. The full text can be read at www.verzekeraars.nl or you may request it from the Dutch Association of Insurers by sending a letter to P.O. Box 93450, 2509 AL The Hague or calling +31 (0)70 33 38 500. You can also download the code of conduct from our website, www.elipslife.com, where you will also find our Privacy Statement.

24.2 Laws and regulations on the processing of personal data

You ensure that we can comply with all laws and regulations on the processing of personal data

You should therefore only give us data that you may provide under those laws and regulations. This is your responsibility. If you nevertheless contravene these rules, we will not be liable.

24.3 Status of Incapacity Benefit (SIB)

As the pension administrator, we can request details about the participant's degree of incapacity for work and the accompanying benefit from the UWV.