

Pensioen 2 WGA Hiaat insurance

What information is contained in Pensioen 1-2-3?

Pension 1-2-3 offers you information in three layers. Each layer of information looks at the pension scheme in slightly more detail. The first layer contains a summary of the most important elements of your pension scheme. In this second layer, you can find more information and an explanation of all the topics in layer 1. Finally, in the third layer you can find all the legal information about this pension scheme, including the pension regulations. Information about the third layer is available on our website at www.nn.nl/Inkomen. You can also request this information from us or your employer.

What is included in this pension scheme?



If you become occupationally disabled (fully or partially), you will receive an income from your employer for the first two years. This is the continued payment of wages by your employer.

If you are still ill after two years, the Employee Insurance Agency (UWV) will assess whether you and your employer have done enough to get you back to work. The UWV subsequently establishes your level of occupational disability and how permanent it is. Using this information, the UWV establishes whether you are entitled to a benefit under the Work and Income (Capacity for Work) Act (WIA) and the amount of this statutory benefit. This is based on a daily wage that is defined by law and subject to a maximum.

You will also receive a benefit from us. This is because your employer took out a WGA Hiaat insurance policy for you and your colleagues with us. This occupational disability insurance policy is governed by the Dutch Pensions Act and this is why we call it a pension scheme.

Under this pension scheme, you are entitled to a benefit if the UWV assesses that you are at least 35% occupationally disabled and you receive a statutory WGA follow-up benefit.

You can also receive a benefit from us if you are declared to be less than 35% occupationally disabled. If this has been agreed between your employer and us, this will be included in Pensioen 1 of your Pensioen 1-2-3- We have sent a copy of Pensioen 1 to your home address.



If you would like to know exactly what this pension scheme offers you, for example, how we calculate your insured annual salary and how we calculate any benefit, this information is contained in the pension regulations. The pension regulations are available from www.nn.nl/Inkomen or you can request a copy from us.

Please note: If you are also a member of a scheme that pays a benefit on your retirement and/or a benefit to a partner and/or children if you die, it may also include a scheme with a benefit payable in the event of occupational disability. You will receive a separate statement for this from your pension fund or insurer.

What you do not receive from this pension scheme



You will not receive a state pension from this pension scheme.



This pension does not provide a partner's and orphan's pension if you die.



If you become ill after you have left this employer, you will not receive a benefit under this pension scheme.

How are you insured?



You are insured for occupational disability in one of three ways:

A. Via the WIA

If you are still ill after two years, the UWV will establish whether you qualify for a statutory WIA benefit. This is an occupational disability policy paid by the government if you work in the Netherlands. The UWV establishes your level of occupational disability and how permanent it is. On this basis, the UWV establishes whether you are entitled to a benefit under the WIA. The benefit is based on a daily wage that is defined by law and subject to a maximum. Once entitlement to a benefit is established, there are three potential situations:

1. You do not receive a statutory WIA benefit.
You are less than 35% occupationally disabled.
2. You receive a statutory WGA benefit.
You are at least 35% occupationally disabled. Of if you are not permanently, but you are fully occupationally disabled (at least 80%), you will receive a benefit under the Return to Work (Partially Disabled Persons) Regulations (WGA). The WGA is part of the WIA.
3. You will receive a statutory IVA benefit.
You are permanently and fully occupationally disabled (at least 80%). According to the UWV you are unable to work for the next five years. In that case, you receive a benefit under the Fully Disabled Persons Income Scheme (IVA). The IVA is part of the WIA.

You can find out more about the statutory WIA benefit by visiting www.uwv.nl.

B. Via this WGA Hiaat insurance

You are insured for this via your employer. This is what this Pensioen 1-2-3 covers.

C. An occupational disability benefit that you may arrange for yourself

If you are declared occupationally disabled after two years of illness, you are covered by the WIA. You receive a benefit under this legislation. The WIA can be divided into two schemes:

1. You are at least 35% occupationally disabled, but not at least 80% permanently disabled. In that case you receive a statutory WGA benefit.
2. You are at least 80% permanently occupationally disabled. In that case you receive a statutory IVA benefit.

The statutory WGA benefit starts with a wage-related benefit. How long you receive this benefit depends on your employment history. When the wage-related benefit ends, you will receive a statutory WGA wage top-up benefit or a statutory WGA follow-up benefit.

Because you are partially occupationally disabled, you are still able to work for some of the time. This is your residual earning capacity. If, for example, you are 50% occupationally disabled and earned €40,000, your residual earning capacity is €20,000. If you are not able to utilise at least half your residual earning capacity (and earn at least €10,000), you will receive a statutory WGA follow-up benefit. This benefit is based on the minimum wage, so your income can fall sharply.

This pension scheme pays out for as long as you receive a statutory WGA follow-up benefit until the day you reach the insured upper age limit. This age is set out in Pensioen 1 of your Pensioen 1-2-3. The calculation of the benefit from the pension scheme is as follows:

benefit percentage x (WIA wage less statutory minimum wage).

The UWV determines the WIA wage. It bases this wage on your wage in the year prior to your first day of illness. The maximum WIA wage is €53,701.

Here is a sample calculation.

Ronald has an annual WIA wage of €40,000. He is 50% occupationally disabled and receives a WGA follow-up benefit. This means that his benefit percentage is 35%.



How are you insured? (continued)



In this example, we assume a minimum wage of €20,000. Our supplementary benefit therefore amounts to:

$$35\% \times (\text{€}40,000 \div \text{€}20,000) = \text{€}7,000$$

Please note: the amount in this example is a gross amount. You will pay tax and social security contributions on this amount.

If you are declared to be less than 35% occupationally disabled after two years of illness, you will not receive a statutory WIA benefit from the UWV. In that case you will look for suitable work in consultation with your employer.

Your Pensioen 1 of your Pensioen 1-2-3 states whether and subject to which conditions you still receive a benefit from us in this situation and for which period.

At the start of this pension scheme, we assume that you are fully able to carry out the work agreed with your employer. If it is expected at the start of your membership of this pension scheme that you will become occupationally disabled in the near future, and you do indeed have to stop work within six months, we can refuse the benefit in some cases. You can find more information about this in the pension regulations.



Your employer pays the pension scheme premium. If you pay an employee contribution, your employer deducts this from your salary. The premium you pay is shown on your payslip.

What are your options?



You do not have any options in this pension scheme.

How certain is your benefit?



The benefit under this pension scheme is increased every year by the same percentage as the increase in the statutory WIA daily wages applied by the government. This means that the benefit is in line with the minimum wage and the social security contributions.

For comparison purposes, below is the average annual price rise for consumers for the past three years, showing the trend in the purchasing power of your benefit.

Year	Price rise
2015	0.60%
2014	1.00%
2013	2.50%

How certain is your benefit? (continued)



What are the risks?

The UWV determines your occupational disability percentage and whether you are eligible for a statutory WGA follow-up benefit. As long as the UWV decides that you are eligible for a statutory WGA follow-up benefit, you receive a benefit from us under this pension scheme. The amount of your benefit depends on the degree of occupational disability and any income from employment.

What costs do we incur?



We incur various costs, such as administrative costs, to administer this pension scheme. These include costs for paying the benefits and collecting the premiums. We also have costs for communications such as this Pensioen 1-2-3 and the Uniform Pension Statement.

When do you have to take action?



If you become occupationally disabled

Your employer continues to pay your salary for the first two years of illness. You will receive at least 70% of your salary. Your salary can be set at a maximum. Consult your employment contract or Collective Labour Agreement (CLA) for details.

Will the UWV then declare you occupationally disabled?

From the moment you receive a statutory WGA follow-up benefit, you can also receive a benefit under this pension scheme. Of if Pensioen 1 of your Pensioen 1-2-3 states that you will receive a benefit from us if the UWV declares you to be less than 35% occupationally disabled.

We receive the information about your occupational disability from your employer, so we ask you to keep your employer informed of your occupational disability.



If you live or move outside the Netherlands

Please give your employer and us your new address if you move out of the Netherlands or already live in another country and move house.



If you want to amend your personal details

There are times when we need to contact you, for example to inform you every year of what you can expect from us in this pension scheme, or if you are entitled to a benefit. If your personal situation changes, please inform your employer accordingly.



Find out how much pension you have built up every year by visiting www.mijnpensioenoverzicht.nl

Please note: this pension scheme does not build up a value and is not included in this statement.

When do you have to take action? (continued)



Please contact your employer if you have any questions or want to pass on any information, You can also call a member of our customer contact team on 070 513 07 75. We are available from Mondays to Fridays between 8.00 am and 5.30 pm. You can also send an e-mail to [inkomencollectief\(a\)nn.nl](mailto:inkomencollectief(a)nn.nl) and we will be happy to answer your questions.

This is layer 2 of Pensioen 1-2-3. If you would like to find out more about this pension scheme, please view layer 3 by visiting www.nn.nl/Inkomen.