

# Collective daily sickness allowance insurance

Product Information and Contract Terms and Conditions

2015 Edition

## Translation

In case of dispute, the original German text shall be decisive.

# Product Information

Terms and Conditions from page 5

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**This Product Information document aims to help you better understand your insurance contract documents. The content and scope of each party's rights and obligations vis-à-vis the other party are governed exclusively by the insurance contract and the Terms and Conditions (T&C).**

**Your insurance contract is subject to the laws of Switzerland, in particular the Federal Law on Insurance Contracts (VVG).**

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## 1. Contracting party

The contracting party is Baloise Insurance Ltd (hereinafter referred to as Baloise), Aeschengraben 21, P.O. Box, CH-4002 Basel.

You can find us online at: [www.baloise.ch](http://www.baloise.ch)

## 2. Policyholder and insured persons

The policyholder is the natural person or legal entity who desires insurance cover for himself and/or other persons, to which end he enters into an insurance contract with Baloise. The policyholder is the contracting party of Baloise.

The insured persons are the employees identified in the insurance contract. The owners of sole proprietorships and members of partnerships are only insured persons if they are listed by name in the insurance contract. The same applies for their family members.

## 3. Scope of insurance cover

The following provides you with information on the insurance cover that is available. This is a summary that can be used as a guide. A definitive general description of the insurance cover and insurance restrictions is provided in the Terms and Conditions. The insurance cover selected by the policyholder and other specific information such as the agreed sum insured are described in the insurance contract.

This insurance product allows the employer the option to ensure himself and his employees against the financial consequences of incapacity for work caused by illness. Owners of sole proprietorships, members

of partnerships and their family members can also be insured, provided that a special agreement is signed. The persons that have to be insured must be listed by name.

Baloise pays the agreed daily allowance (full or partial daily allowance proportionate to the degree of incapacity for work) for incapacity for work due to illness as confirmed by the doctor (at least 25%) for a maximum period of 730 days until the benefits from the occupational pension scheme (second pillar) fall due, less the agreed waiting period<sup>1</sup>. The benefits are always paid for a maximum period of 730 days, even if there is no occupational pension scheme.

<sup>1</sup>The waiting period is the period between the occurrence of the insured event (confirmation of incapacity for work by the doctor) and the date from which Baloise is liable for the payment of benefits (daily allowance).

Special rules apply to unpaid leave.

If an illness for which Baloise is paying benefits leads to the death of an insured person during the benefit period, Baloise will always continue to pay the insured daily allowance for another two months.

## 4. Recipients of benefits

The insured person is eligible to receive the benefits. He has the right to claim payment directly from Baloise.

The insured daily allowance is paid out to the policyholder if he continues to pay the salary of the insured person entitled to a daily allowance.

## 5. Geographical scope and period of validity

The insurance cover applies worldwide for the term of the contract.

## 6. Beginning of insurance contract and insurance cover

The contract begins on the date specified in the insurance contract. Insurance cover for the individual employees commences on the first day of work but on commencement of the insurance contract at the earliest.

Insurance cover for owners of sole proprietorships, members of partnerships and their family members begins on the date indicated in the insurance contract.

## 7. Term of insurance contract and insurance cover

At the end of the agreed contract term the insurance contract is automatically renewed for another year, provided that none of the contracting parties has received notice to terminate the contract at least three months in advance.

## 8. Premium

The premium for insured persons with a fixed salary total must be paid in advance.

The premium for the other insured employees is calculated provisionally every year and must be paid in advance. The final premium statement is prepared at the end of the insurance year on the basis of the salaries as reported. Baloise has the right to review the salary information.

Semi-annual and quarterly payment can be agreed for a surcharge.

If the insurance contract expires before the end of an insurance year, Baloise will repay the unused premium to the policyholder. However, the premium is owed in full for the current insurance period at the time of termination if the policyholder cancels the policy within 12 months of its conclusion due to a loss event.

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**Making you safer – every day.**  
For instance, with

- our proven specialists
- services geared to the needs of you and your employees
- our availability around the clock to answer all your questions

Further helpful safety tips are available at:  
[www.baloise.ch](http://www.baloise.ch)

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### 9. Payment default and its consequences

If the premium has still not been paid after a written payment demand was issued, Baloise sets a final payment deadline of 14 days. If payment is still outstanding, the insurance cover is suspended.

Once the outstanding premiums and all charges are paid, the insurance contract can be reinstated. The insurance cover is reinstated on the date of payment. The policyholder is not granted retroactive insurance cover for the period of suspension.

The insurance contract expires two months after the 14-day deadline given in the payment demand, unless Baloise collects the outstanding premium by legal process (debt collection proceedings).

### 10. Obligations of policyholder and consequences of a breach of obligations

The policyholder must honestly and fully answer all questions in the application form (pre-contractual duty of disclosure). Baloise must be informed if any facts relevant to the risk assessment (increase in risk) change during the term of the insurance contract.

The correct form must be used to inform Baloise within the waiting period if an insured person becomes unable to work due to illness, otherwise the obligation to pay benefits will be suspended until Baloise receives the notification.

The required form can be downloaded from the internet ([www.baloise.ch](http://www.baloise.ch)) or obtained from the competent Baloise agency or the Baloise Customer Service. The latter can be reached from anywhere in the world at the following number: 00800 24 800 800 (fax +41 58 285 90 73) or on +41 58 285 28 28 from outside Switzerland if it is difficult to get a connection.

The policyholder is obliged to inform the insured persons of the material content of this contract as well as any amendments thereto or the cancellation of the contract in writing (Art. 3 para. 3 Federal Law on Insurance Contracts).

He will receive the necessary documentation (information for the insured persons) from Baloise.

Baloise can terminate the insurance contract if the policyholder culpably breaches his obligations. If the culpable breach of an obligation affects the occurrence or scope of an insurance claim, Baloise may reduce or even refuse its benefits.

### 11. Obligations of insured persons and consequences of a breach of obligations

The insured persons must honestly and fully answer any questions regarding their health (pre-contractual duty of disclosure).

A doctor must be consulted without delay for illnesses that could give rise to a claim to benefits. The insured person must follow the instructions of the doctor and the nursing staff and must obtain written confirmation from the doctor of his restricted capacity for work due to illness. Baloise will contact the doctor providing treatment or instruct another doctor to examine the insured person if it needs additional medical information. If the illness lasts for a longer period, the insured person must be treated by a doctor regularly (at least every four weeks). Everything that may facilitate the investigation of the claim and its consequences must be done, and if necessary, the doctor providing treatment/advice must be released from his duty of secrecy (duty to inform and cooperate).

If the insured person is able to carry out another activity that may be reasonably expected from him, he must adapt his former activity or accept such a reasonable other activity. He must also register his claims with the competent social insurance schemes as soon as possible (loss minimisation obligation).

If an insured person who is not at the same time the policyholder breaches the above obligations, the legal consequences of a breach of duty (termination, reduction or refusal of benefits) will only apply to this person.

### 12. Culpable inducement of an insured event

Baloise pays the full benefits if the insured event was caused by negligence.

### 13. End of insurance contract and insurance cover

The insurance contract ends with notice of termination as well as for the reasons provided for by law or the contract.

| Party giving notice             | Reasons for giving notice  | Notice period   | Cancellation date                             |
|---------------------------------|--|---|---|
| <b>Both contractual parties</b> | Expiry of the minimum term pursuant to the insurance contract                          | 3 months  | Expiry of contract                            |
|                                 | Insurance claim for which Baloise paid benefits  | At the latest upon payment  | 14 days from receipt of notice of termination |
| <b>Policyholder</b>             | Premium increase, e.g. due to rate changes   | Before the end of the insurance year  | Day on which the amendment enters into force  |
|                                 | Breach of the pre-contractual obligation to provide information pursuant to Art. 3 VVG | 4 weeks from discovery of the breach, at most one year after conclusion of the contract | Receipt of notice of termination              |
| <b>Insurer</b>                  | Breach of pre-contractual duty of disclosure   | 4 weeks from discovery of the breach  | Receipt of notice of termination              |
|                                 | Refusal to review the salary   | 30 days from refusal or the expiry of the submission deadline                           | Receipt of notice of termination              |
|                                 | Wrong salary information   | 30 days from discovery  | Receipt of notice of termination              |
|                                 | Insurance fraud  | None  | Receipt of notice of termination              |

Notice of termination must be given in writing.

| Reasons for expiry of the contract  | Cancellation date   |
|---|---|
| Discontinuation of business activities  | Discontinuation of business activities  |
| <b>Reasons for expiry of insurance cover for an individual insured person</b>                                       |   |
| Expiry of maximum benefit period (expiry of benefits)   | Expiry of maximum withdrawal period   |
| Cancellation of group insurance contract*   | Cancellation of group insurance contract*                                       |
| Withdrawal from the group of insured persons*   | Withdrawal from the group of insured persons*                                   |
| Reaching the regular AHV retirement age   | End of month in which the insured person reaches the regular AHV retirement age |
| Foreign employees without a permanent residence permit leave Switzerland (does not apply to cross-border commuters) | Permanent departure from Switzerland  |

\* The insured person can transfer to the individual daily sickness allowance insurance (cf. section 14).

### 14. Transfer to individual insurance

If he is unemployed, the insured person can take out individual daily sickness allowance insurance from Baloise within three months from the date on which insurance cover ends (right of transfer).

The benefit conditions and exclusions are set out in the Terms and Conditions. The policyholder must inform the insured persons of their right to transfer to the individual insurance. The relevant information is also provided in the «Information for insured persons», which Baloise gives to the policyholder for distribution to the insured persons.

### 15. Data protection

Insurance companies use electronic data processing to ensure the efficient and correct processing of their policies. When processing the policyholder's data, Baloise complies with the Federal Act on Data Protection (DSG)

**Consent clause:** The application includes a consent clause with which you grant Baloise the right to carry out data processing in accordance with the law.

**Release from duty of secrecy clause:** Certain transmissions of data, e.g. by a doctor who is subject to a professional duty of secrecy, require specific consent (release from duty of secrecy). The consent clause therefore contains a release from this duty of secrecy.

**Data processing:** Data processing means all activities involving personal data, irrespective of the means and procedures used, especially when data is obtained, stored, used, altered, disclosed, archived or destroyed. Baloise processes information of relevance to the conclusion of the contract and the processing of policies and claims. This primarily relates to information on the policyholder provided in the application form and the notification of illness. Baloise sometimes also consults with third parties (e.g. the doctor, social insurance schemes). And finally, Baloise also processes the policyholder's data in connection with projects to optimise its products and for internal marketing purposes. The application notifies the policyholder that he has the right to inform Baloise in writing that he does not wish to receive advertising materials.

**Sharing of data:** Sometimes there is a need to exchange data with previous insurers and re-insurers in Switzerland and abroad in order to safeguard the interests of all policyholders. To provide policyholders with reasonably priced and comprehensive insurance cover, some of the services of Baloise are provided by legally independent foreign and domestic companies. Therefore, to achieve the intended purpose of the contractual relationship, Baloise must share policyholders' data in and outside the Group in compliance with legal regulations.

**Agents** may obtain the information they need for servicing and advising customers from the data collected on policyholders by Baloise. Agents are bound by law and contract to observe their special duty of secrecy as well as the provisions of the Federal Act on Data Protection. Independent brokers may only access this data if they have been authorised to do so by you.

**Right of access and rectification:** Under the Federal Act on Data Protection, the policyholder has the right to ask Baloise for information on whether and which of his data is being processed by the company. He can also request the rectification of wrong data.

### 16. Complaints

If you have a complaint, please contact:

Baloise Insurance Ltd  
Complaint Management  
Aeschengraben 21, P.O. Box  
CH-4002 Basel

Tel.: 00800 24 800 800

Fax: +41 58 285 90 73

E-mail: [complaint@baloise.ch](mailto:complaint@baloise.ch)

# Contract Terms and Conditions

## Collective daily sickness allowance insurance

### Abbreviations

|      |   |
|------|---|
| AVIG | Federal Law on Compulsory Unemployment Insurance and Benefits on Insolvency                         |
| BVG  | Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans                     |
| EOG  | Federal Law on Compensation for Loss of Earnings for Persons on Military Service or Maternity Leave |
| IVG  | Federal Law on Disability Insurance   |
| MVG  | Federal Law on Military Insurance   |
| UVG  | Federal Law on Accident Insurance   |
| VVG  | Federal Law on Insurance Contracts  |

## A. Principles

**A1**

### Subject of the insurance

<sup>1</sup> The insurance covers the policyholder and his employees against the financial consequences of incapacity for work as a result of illness or pregnancy.

<sup>2</sup> The contract comprises the insurance policy and these General Terms and Conditions.

<sup>3</sup> The contract is subject to the VVG.

**A2**

### Insured event

<sup>1</sup> The insured event is incapacity for work due to illness expressed as a percentage of the full capacity for work. The degree of the incapacity for work must be at least 25%.

<sup>2</sup> Illness is deemed to be an impairment of physical, mental or psychological health which is not derived from an accident and which requires medical examination or treatment or prevents the insured person from working.

<sup>3</sup> Incapacity for work is the total or partial inability to exercise the previous profession or do work that can be reasonably expected. In the event of prolonged incapacity for work, a position in another profession or remit may also be considered reasonable. This is any work which experience has shown would be available to the insured person in view of his training and physical and intellectual abilities in the labour market in question.

<sup>4</sup> If incapacity for work occurs during pregnancy, the same benefits are paid as for incapacity for work due to illness.

**A3**

### Insured benefits

<sup>1</sup> Upon occurrence of the insured event, Baloise pays a daily allowance for a maximum period of 730 days from the expiry of the waiting period that starts to run with the occurrence of incapacity for work due to illness. The contractually agreed waiting period is deducted from the maximum benefit period.

<sup>2</sup> A daily allowance equalling the percentage of the incapacity for work is paid out. This remains subject to section E1. If the competent IV office determined a degree of disability, the incapacity for work is deemed to be the same.

<sup>3</sup> Without consideration of the degree of the incapacity for work, the maximum benefit period is calculated on the basis of the number of days during which a full or partial daily allowance was drawn.

<sup>4</sup> Benefits paid under this contract are non-life insurance benefits.

**A4**

### Insured persons

<sup>1</sup> The employees listed in the contract are insured.

<sup>2</sup> The following groups of persons are only insured under a special agreement and if they are identified by name in the contract:

- Company owners, owners of sole proprietorships and general partners with unlimited liability
- The spouse or registered partner, children and parents of company owners are treated on the same footing as the company owner.

**A5**

### Geographical scope

The insurance applies worldwide.

## B. Insurance cover and insured benefits

**B1**

### Beginning of insurance cover

<sup>1</sup> The insurance begins on the date indicated in the contract, but at the earliest on the date on which the insured person starts working for the policyholder.

<sup>2</sup> For persons who are only insured if identified by name in the contract, insurance cover begins on the date indicated in the contract.

<sup>3</sup> Independent of the date of the illness, incapacity for work gives entitlement to insurance benefits if it is caused by an illness which for the first time causes incapacity for work since the insured person took up the job or this contract was concluded. This remains subject to section B5.

<sup>4</sup> The daily sickness allowance cannot be waived for an existing incapacity for work.

**B2**

### Conditions and duration of benefit payment

<sup>1</sup> Benefits are only paid if the incapacity for work is at least 25%.

<sup>2</sup> The maximum benefit period is 730 days, minus the agreed waiting period as documented in the contract.

**B3**

### Renewed illness and relapses

<sup>1</sup> For every new illness, benefits are only paid after expiry of the agreed waiting period.

<sup>2</sup> In the case of a relapse, the waiting period previously applied for the same illness is credited and the maximum benefit period is reduced by the number of days for which a daily allowance was previously paid. Two illnesses are considered to be the same if the identified causes of illness are in their essential part the same.

<sup>3</sup> A relapse is incapacity for work due to an illness for which a daily allowance for incapacity for work under this contract was previously paid. This applies if the renewed incapacity for work due to the same illness occurs less than 365 days after the insured person regained his capacity for work.

<sup>4</sup> If more than 365 days have passed, the case is treated as a new illness. The capacity for work is deemed to have been regained if the remaining partial disability does not give rise to an entitlement to benefits (section B2 para. 1).

#### B4

##### Expiry of benefits

<sup>1</sup> An insured person's benefits for an illness expire when Baloise has paid the maximum number of daily allowances for the incapacity for work caused by this illness. No further benefits are paid for the same illness. The employee remains insured for other illnesses (see B3) for his residual capacity for work.

<sup>2</sup> The benefits of company owners and persons treated on the same footing as company owners also expire if they have drawn a daily allowance for a number of days equalling the maximum benefit period within a period of 900 days, regardless of the illness that gave rise to the incapacity for work. Persons whose benefits have expired under this paragraph are excluded from the group of insured persons upon expiry of their benefits and will not receive any benefits for renewed illness or relapses.

#### B5

##### Incapacity for work before the beginning of the contract or the employment relationship

<sup>1</sup> If incapacity for work is caused by the same illness that previously caused incapacity for work before the beginning of the contract or the employment relationship,

- a) the provisions on relapse pursuant to section B3 apply mutatis mutandis if the new incapacity for work occurs less than 365 days after the insured person regained his capacity for work.
- b) the provisions on renewed illness pursuant to section B3 apply if the new incapacity for work occurs at least 365 days after the insured person regained his capacity for work.

<sup>2</sup> The insured person is obliged in both cases to inform Baloise of any daily allowance received from another insurer for the same illness.

#### B6

##### Pre-existing restrictions to the capacity for work

Persons who receive a pension from a private or social insurance scheme for an illness, accident or congenital disorder or applied for such a pension and work part-time only for the insured company because of this health limitation are insured for their residual capacity for work. The insurance does not cover the illness for which a pension is drawn.

#### B7

##### Concurrence of multiple illnesses

If incapacity for work is due to multiple illnesses, these are assessed separately for the purpose of calculating the benefits. The extent to which the incapacity for work was caused by a specific illness is determined for each of these illnesses. A separate waiting period is also calculated for each illness. The benefit entitlements calculated in this manner are then added together, but the maximum benefit payable is one full daily allowance, regardless of the total amount.

#### B8

##### Reaching the AHV age

<sup>1</sup> Insurance cover as well as the entitlement to a daily allowance for an existing incapacity for work lapses when an insured person becomes entitled to the payment of an AHV retirement pension. Exceptions:

- a) Persons who deferred the withdrawal of their AHV pension, were fully capable of working at the time of applying for a deferral and still belong to the group of insured persons remain insured for

renewed illness until the AHV pension falls due. The maximum benefit period is 730 days.

- b) A one-time maximum benefit period of 180 days for renewed illness for which Baloise has not yet paid any benefits applies to persons who continue to work for the same insured company after drawing the regular or deferred AHV pension.

<sup>2</sup> Insurance cover as well as entitlement to benefits always end on the 70<sup>th</sup> birthday at the latest.

#### B9

##### Benefits upon the death of the employee

<sup>1</sup> If an employee dies while receiving a daily allowance as a result of the illness that triggered the payment of the insurance benefits, Baloise will continue to pay the daily allowance for two months from the date of death.

<sup>2</sup> The entitled recipients are the surviving spouse or registered partner or, if none, the minor children at the time of death.

<sup>3</sup> If there are no entitled persons, no benefits are paid.

#### B10

##### End of insurance cover

<sup>1</sup> The contract can be terminated by giving three months' written notice to the expiry date specified in the contract. If no notice of termination is given, the contract is tacitly renewed for one year at a time, at the end of which it can once again be terminated by giving three months' notice.

<sup>2</sup> If the policyholder discontinues his business activities, the insurance contract expires on the same date.

<sup>3</sup> For the insured persons, insurance cover ends

- a) with the termination of the contract.
- b) upon withdrawal from the group of insured persons.
- c) at the latest, by the end of the month in which the ordinary AHV retirement age is reached. Exceptions are governed under B8; in such cases, on turning 70 years of age at the latest.

<sup>4</sup> If insurance cover is terminated pursuant to para. 3a) and 3b) incapacity for work (regardless of whether it is due to a relapse or renewed illness) occurs before the insurance cover ends, Baloise will pay the contractual benefits. This also applies if the insured person leaves the insured company or the contract expires during the waiting period or while the insured person is receiving benefits, unless another individual or group insurer is obliged to pay the future benefits after the insured has left the insured company or from the date of expiry of the contract.

#### B11

##### Benefit restrictions and exclusions

No benefits are paid:

- a) For incapacity for work due to an occupational disease pursuant to the UVG as well as illnesses that derive from acts of war, violations of neutrality or the effects of ionising radiation. The insurance covers health disorders caused by radiation treatment prescribed by a doctor.
- b) For incapacity for work that is confirmed more than three days after the first medical treatment.
- c) If the insured person is already ill when he starts working and he should have known upon accepting the position that incapacity for work as a result of this illness in the first six months from starting the job is highly likely.
- d) The insurance does not cover incapacity for work that occurs during unpaid leave. Insurance cover only starts again on the agreed

date for returning to work. For incapacity for work that started during the period of leave and continued past the agreed date for returning to work, the waiting period is applied from the agreed date for returning to work.

B12

### Calculation of daily allowance

<sup>1</sup> The daily allowance is calculated on the basis of the annual salary (including child and family allowances) that applied to the calculation of the premium before the start of the incapacity of work. Salary components that give entitlement to a pension (e.g. 13th monthly salary) that have not yet been paid out are included. If the salary components vary strongly (e.g. bonuses, commission), the calculation is based on the average over the past 12 months. The daily allowance equals 1/365th of this amount.

<sup>2</sup> The daily allowance for employees working for a daily or hourly wage equals 1/7th of the salary earned in one week.

<sup>3</sup> For fixed-term employment relationships of less than one year, the daily allowance equals 1/365th of the total salary agreed for the fixed employment term. This applies independent of the number of days on which the insured person worked before the incapacity for work occurred.

<sup>4</sup> For employees identified by name in the contract, the daily allowance equals 1/365th of the agreed salary total.

Exception: If the actual annual salary reported to the AHV is more than 20% lower than the contractually agreed annual salary total, the salary reported to the AHV is used to calculate the daily allowance. However, if the salary customarily paid in the same region and sector is higher than the salary reported to the AHV, the former is used as the basis for calculation. Generally speaking, the maximum salary that can be used for the calculation is the insured salary total.

The wage structure survey carried out by the Federal Statistical Office is used to determine the salary customarily paid in the same region and sector. The average based on the customary number of working hours in the relevant sector applies. If the benefits are reduced, the excess premiums paid are reimbursed for a maximum of two prior insurance years.

<sup>5</sup> The daily allowance as calculated at the beginning of the incapacity for work remains the same during the entire benefit period. The exceptions are salary increases agreed in writing before the beginning of the incapacity for work and salary increases for apprentices who are incapable of working with whom a transfer to a regular employment relationship was agreed in writing before they became incapable of working. In both cases the salary increase is included in the calculation of the daily allowance from the date on which it is due under labour law. The daily allowance is recalculated for a relapse.

## C. Premium

C1

### Applicable salary

<sup>1</sup> The applicable salary to be declared for persons who are not identified by name in the contract is calculated as follows:

a) The calculation is based on the payroll total subject to AHV contributions for this group of persons.

b) The following must also be declared: Salary components on which no AHV contributions are paid (e.g. AHV pension recipients, young people and persons who are exempt from AHV contributions under the agreement on the free movement of persons) with the EU.

c) The following does not have to be declared: Purchases of additional pension benefits financed by the employer, long-service awards, the salaries of persons whose benefits have expired pursuant to section B4 para. 2, and, for persons who earn more than CHF 300,000: that part of the salary that exceeds this amount.

<sup>2</sup> The applicable salary for persons identified by name in the contract is the salary given for these persons in the contract.

C2

### Statement

<sup>1</sup> The policyholder pays the provisional premium invoiced by Baloise on the first day of every insurance period (due date). The final premium statement is prepared at the end of the insurance year on the basis of the salaries as reported by the policyholder. Any balance must be paid within 30 days. A balance of less than CHF 20 is neither collected nor credited.

<sup>2</sup> Baloise has the right to review the salaries as reported. To this end it may inspect all relevant documents. The policyholder is obliged to submit a copy of the AHV declaration to Baloise upon first request. He authorises Baloise to inspect the documents submitted to the AHV compensation fund for the calculation of the policyholder's AHV contributions. Baloise can terminate the insurance contract if the policyholder breaches his obligations under this clause. In this case, the contract expires 30 days after receipt of the notice of termination by the policyholder. The same applies if an audit shows that the policyholder supplied the wrong information.

<sup>3</sup> If the policyholder fails to report the applicable payroll total, Baloise is entitled to estimate the payroll total. The estimated payroll total may not exceed the applicable payroll total for the previous year by more than 50%. This restriction does not apply if Baloise can prove that the payroll total in all probability (e.g. following a merger) increased by more than 50% on the previous year.

<sup>4</sup> The policyholder can request the correction of the invoice by submitting the salary declaration within 30 days of receipt of the premium statement based on an estimate. Baloise will then issue a new final premium invoice. It may add a suitable surcharge for the additional administrative work involved in the estimate and its subsequent correction. This surcharge is at least 5% but not more than 10% of the final annual premium.

C3

### Premium adjustment

<sup>1</sup> Baloise can adjust the premiums at the start of a new insurance year. It must notify the policyholder of this change no later than 30 days prior to the end of the current insurance year.

<sup>2</sup> If the policyholder does not agree to an increase in the premium, he may terminate the affected part of the contract or the entire contract. A termination is deemed valid if it is received by Baloise no later than the last day of the current insurance year.

## D. Obligations

### D1

#### Obligation to notify the occurrence of an insured event

<sup>1</sup> If an insured person falls ill and incapacity for work for which Baloise is liable to pay benefits is likely, the policyholder must notify Baloise of the event in a timely manner, using the form provided to him. The insured person can also submit the notification.

<sup>2</sup> Baloise is notified in a timely manner if it receives the notification by the end of the waiting period at the latest.

<sup>3</sup> The obligation of Baloise to pay benefits is suspended until receipt of the notification.

### D2

#### Obligation to consult a doctor

<sup>1</sup> If incapacity for work caused by illness occurs, the insured person is obliged to consult a doctor without delay, submit to an examination and follow the instructions of the doctor and the nursing staff.

<sup>2</sup> If a daily allowance is claimed, the insured person is obliged to submit doctor's certificates confirming the scope and duration of the incapacity for work caused by illness to Baloise. The insured person must also go to the doctor for treatment or a check-up regularly (at least every four weeks).

### D3

#### Confirmation of the obligation to pay benefits

<sup>1</sup> Baloise can require the insured person to submit the following documents:

- a) Doctor's certificates that also confirm the diagnosis by the doctor;
- b) A declaration by which the insured person releases the doctors who are treating or who treated him from their obligation to maintain secrecy vis-à-vis Baloise with regard to all issues related to the incapacity for work and specifically instructs them to answer questions by Baloise regarding the incapacity to work in his profession or to carry out other professional activities.

<sup>2</sup> Baloise can send a written notice with a warning regarding the consequences of default to the insured person to set an appropriate deadline for submitting the documents listed in para. 1. If the insured culpably misses such a deadline, the obligation to pay benefits lapses.

<sup>3</sup> On request of Baloise the insured person has to submit to an examination by a doctor appointed by Baloise at the latter's cost. The insured person can reject a doctor appointed by Baloise for good cause. The insured person is obliged to release the examining doctor from his obligation to maintain professional secrecy vis-à-vis Baloise.

<sup>4</sup> Para. 3 also applies if the insured person is staying abroad or has his place of residence abroad. Baloise may expect the examination to be carried out in Switzerland, in which case the insured person has to bear the travelling costs.

### D4

#### Reasonable activity

<sup>1</sup> If the insured person is capable of carrying out a reasonable activity in another profession or area of responsibility, Baloise may require the insured person to adjust his current job or accept another position if the incapacity for work persists for a longer period. Baloise must instruct the insured person to do so in writing and give him an appropriate deadline for changing his job.

<sup>2</sup> If the insured person culpably misses this deadline, Baloise may suspend its benefits.

### D5

#### Domestic paying agent

Recipients of payments must provide Baloise with a domestic paying agent who is entitled to receive payments on their behalf. The obligation of Baloise to make payments is suspended from the date on which the insured person leaves Switzerland until notification of a domestic paying agent. Baloise is authorised to transfer the daily allowance to this paying agent, which will have the effect of a discharge.

### D6

#### Breach of statutory or contractual obligations

If a breach of statutory or contractual obligations affects the existence or scope of benefits, Baloise may reduce or refuse these benefits unless the policyholder or the insured person can prove that he bears no responsibility for the breach of obligations.

## E. Coordination with third-party benefits

### E1

#### Coordination with unemployment benefits

If an insured person is deemed to be unemployed pursuant to Art. 10 AVIG, Baloise pays for incapacity for work of

- a) more than 50%, the full daily allowance.
- b) at least 25% but not more than 50%, half of the daily allowance.
- c) less than 25%, no daily allowance.

### E2

#### Coordination with maternity allowance

Baloise's obligation to pay benefits is suspended and running waiting periods are interrupted for as long as an insured person is entitled to a maternity allowance under Art. 16b et seq. EOG.

### E3

#### Coordination with other third-party benefits

<sup>1</sup> If an insured person is entitled to child or family allowances, cash benefits under the IVG, UVG, MVG, AVIG, BVG or any related domestic or foreign private and social insurance schemes or to benefits from a liable third party, Baloise supplements these benefits within the limits of its own obligation to pay benefits up to the amount of the insured daily allowance for the full period of validity of such claims. Survivors' pensions and fixed-benefit insurance pursuant to Art. 96 VVG are not credited.

<sup>2</sup> If a third party's obligation to pay benefits has not yet been confirmed, Baloise only pays its benefits as an advance. When third-party benefits are subsequently awarded, the insured person is obliged to repay the matching benefits to Baloise. The advance payment of benefits establishes a right to set off the daily allowance for the amount of the advance against the benefits paid by all participating social insurance schemes.

Baloise can require the insured person to agree that the third party liable for benefits pays the benefits up to the amount of the advance directly to Baloise. If the insured person refuses his consent, Baloise may set off any outstanding daily allowances against its right to reimbursement of the advance.

<sup>3</sup> Days on which Baloise only make partial payments because third parties are paying creditable benefits count in full towards the calculation of the benefit period.

<sup>4</sup> The insured person is obliged to assert his claim to benefits against a third party as soon as this is possible under the applicable laws. If this is not done (e.g. registration with the disability insurance), Baloise is entitled to deduct the unclaimed third-party benefits pursuant to para. 1 and 2 from its benefit payments.

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## F. Right of transfer (to the individual insurance)

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### F1

#### Exercise of the right of transfer

<sup>1</sup> If an insured person leaves the insured company before the expiry of this contract and he is deemed to be unemployed pursuant to Art. 10 of the Federal Law on Compulsory Unemployment Insurance and Benefits on Insolvency, he has the right to take out individual daily sickness allowance insurance from Baloise within three months (right of transfer).

<sup>2</sup> The deadline for the exercise of the right of transfer starts running from the date on which the insured person is informed of this right. The deadline is met if Baloise receives the declaration to exercise the right of transfer on the last day of the exercise period.

<sup>3</sup> If the insured person cannot exercise the right of transfer upon termination of the employment relationship because his incapacity for work means that he does not qualify as unemployed, the declaration regarding the exercise of the right of transfer remains valid past the expiry of the three-month deadline, provided that it is submitted to Baloise immediately when the insured person regains the capacity to work for at least 50%.

<sup>4</sup> Only persons who are resident in Switzerland may transfer to the individual insurance.

### F2

#### Individual insurance contract (transferees)

<sup>1</sup> No health check is needed for the individual insurance. The age upon entry is the same as the age upon entry to the group insurance of Baloise.

<sup>2</sup> The maximum daily allowance that can be insured equals the unemployment allowance paid by the compulsory unemployment insurance. The statements from the unemployment insurance must be submitted to Baloise upon request.

<sup>3</sup> The scope of the individual insurance and the premiums are governed by the applicable rates and general terms and conditions at which Baloise offers individual insurance policies on the date on which the right of transfer is exercised.

<sup>4</sup> When the maximum benefit period for the individual insurance is calculated, any benefits already paid under the group insurance are deducted if the incapacity for work is due to the same illness and the new incapacity for work occurs less than 365 days after the insured person regained his capacity for work.

<sup>5</sup> The waiting period for an individual insurance contract is at least 30 days, regardless of the waiting period applied under this contract.

### F3

#### Obligations of the policyholder (employer)

<sup>1</sup> The policyholder is obliged to give the «Information sheet for departing employees» provided by Baloise together with the contract to all employees who leave the company to ensure that they are informed of the conditions of the right of transfer and the procedure for exercising this right.

<sup>2</sup> The policyholder must require a confirmation of receipt of the information sheet from all departing employees.

<sup>3</sup> If the policyholder cannot prove that he handed out the information sheet, he must reimburse Baloise for all loss or damage that may result from this failure.

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## G. General provisions

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### G1

#### Information for the insured

<sup>1</sup> The policyholder is obliged by law (Art. 3 para. 3 Federal Law on Insurance Contracts) to inform the insured persons of the material content of the contract, all amendments to the contract and the cancellation of the contract in writing. (Information sheet to the contract: «Information for insured persons»)

<sup>2</sup> If Baloise has to accept liability to a third party for any breach of these obligations, it may take recourse to the policyholder.

### G2

#### Fees

Any additional administrative expenses incurred by the policyholder or the insured persons must be paid for by them. Baloise can also charge a flat rate (fees) for such expenses. The schedule of fees can be inspected at [www.baloise.ch](http://www.baloise.ch)

### G3

#### Tax at source

If Baloise is obliged by law to deduct tax at source from additional income, it pays the tax directly to the Tax Administration. The tax is deducted from the amount paid to the insured person.

### G4

#### Gross negligence

Baloise waives its statutory right to reduce insured benefits if the insured person caused the illness by gross negligence.

### G5

#### Agreement on the right of transfer to another insurer

<sup>1</sup> If an insured person has a claim to better conditions under the agreement on the right of transfer between the daily sickness allowance insurers, these conditions take precedence.

<sup>2</sup> The agreement can be consulted at [www.svv.ch](http://www.svv.ch)

### G6

#### Place of jurisdiction

In addition to the ordinary place of jurisdiction, insured persons can also file a claim against Baloise with the court at their place of work.

**G7**

#### **Relationship to an earlier contract**

If this contract replaces an earlier contract, the daily allowances paid under the earlier contract are deducted from future benefits.

**G8**

#### **The Baloise Safety World**

<sup>1</sup> Baloise supports the policyholder with references to and cooperation with external partners specialised in corporate health and absence management.

<sup>2</sup> If needed, Baloise organises and pays for case management when there is a claim. It supports the insured persons and the policyholder with individual case management.

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