

HR PRACTICAL INFORMATION

DEATH AND DISABILITY INSURANCE

To address its concern about the social protection of its employees, the company has two types of insurance. On the one hand, the compulsory complementary health insurance which, in return for a monthly contribution from the employer and the employee, optimizes the reimbursement of healthcare. On the other hand, death and disability insurance, which covers employees' lives.

WHAT IS DEATH AND DISABILITY INSURANCE?

All companies must contribute to the basic Social Security scheme. In addition, the employer may decide to take out a death and disability insurance. Certain collective agreements and branch agreements may sometimes require this, as is the case for the collective agreement for independent education, which applies to AUP.

Death and disability insurance is a social protection system that complements the compulsory social security system, which provides for the payment of compensation but does not fully cover the insured's loss of income.

Unlike the supplementary health insurance, whose role is to supplement the reimbursement of social security only for healthcare, the death and disability insurance provides financial assistance in daily life. It compensates for the insured's loss of income in the event of inability to work, thus enabling him to maintain his standard of living in difficult circumstances.

The death and disability insurance covers life's contingencies and provides financial assistance in the following situations:

- Inability to work
- Disability
- Death
- Education pension

AUP has taken out this insurance with HUMANIS and bears the full cost.

DEATH AND DISABILITY INSURANCE AND TEMPORARY INCAPACITY FOR WORK

The death and disability insurance pays a benefit called daily allowance to an employee who, following an illness or accident, receives daily allowances from the Social Security either under the health insurance scheme or in respect of accidents at work or occupational diseases.

How does it work? AUP maintains all of an employee's salary for the first 90 days of his or her absence from work and receives the daily allowances paid by the Social Security. This is called subrogation.

From the 91st day of absence from work, AUP stops maintaining the salary. As a result, the employee receives his or her daily benefits directly from the social security health insurance and in addition the

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benefits from the death and disability insurance. (To view our newsletter on your income during your absence, click [here](#)).

What is the compensation rate?

The daily allowance paid by the Social Security is equal to 50% of the basic daily salary. This is calculated on the average gross salaries of the last 3 months preceding your work stoppage (the maximum amount of the daily sickness benefit was €45.01 on 1 January 2019).

The death and disability insurance will supplement the daily social security benefits by 30%, so that the total compensation represents 80% of your gross remuneration.

Social Security daily allowances are paid every 14 days.

How to proceed?

As soon as you are on sick leave for more than 3 months, HUMANIS receives your social security statements directly.

To ensure that there is no interruption in the payment of your benefits, the Human Resources department prepares your claim for compensation from HUMANIS in advance.



It is important that you send the Human Resources department copies of your social security daily allowance statements as they are received, so that we can ensure the follow-up of your file and the regularity of the payment of your benefits.

HUMANIS pays the amount of your daily allowances to AUP, who will issue you a pay slip with the amount of the allowances received during the month. These allowances are subject to social security contributions.

Cessation of payment of compensation for incapacity to work

Benefits cease to be paid in respect of incapacity for work:

- As soon as the Social Security stops paying its daily allowances
- Or as soon as the participant returns to work
- At the latest, on the 1095th day of compensation
- On the day fixed following a medical check-up carried out by doctors appointed by the insurance company

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- On the day before the date on which the beneficiary is recognized as disabled
- At the latest on the date of liquidation of the old-age pension (except in the case of employees in a situation of cumulative employment and retirement)

DEATH AND DISABILITY INSURANCE AND HEALTH-RELATED PART-TIME EMPLOYMENT

When you resume partial activity for health reasons, you receive two types of income. On the one hand, the salary paid by the employer taking into account the actual working time and on the other hand the daily allowances paid by the Social Security, in addition to the salary.

If your salary exceeds the monthly social security ceiling (€3,377 on 1 January 2019), the death and disability insurance will pay you additional benefits.



The resumption of part-time work for health reasons constitutes an amendment to the employment contract. This must therefore be formalized in writing, with a document, which specifies the reasons and the temporary nature of the contract, linked to the duration of the health-related part-time work.

DEATH AND DISABILITY INSURANCE IN CASE OF DISABILITY

In the event of the employee's disability, HUMANIS pays a pension subject to an eventual medical check-up.

The employee is considered to be disabled and entitled to a benefit when, following an illness or accident certified by a doctor, his working or earning capacity is permanently reduced.

The employee must be recognized as disabled by the Social Security in one of the three categories as defined in Article L341-4 of the Social Security Code¹.

¹ Disability pensions are calculated according to the degree of disability of the person. Social security defines three levels of disability:

- Disability of the 1st category: the individual is capable of exercising a professional activity
- Invalidity in the 2nd category: the individual can no longer exercise a professional activity
- Invalidity in the 3rd category: the individual can no longer exercise a professional activity. He needs the assistance of a third person to perform the acts of daily life.

To receive the disability pension, a medical officer of the *Caisse Primaire d'Assurance Maladie* (CPAM) must have diagnosed you. This doctor determines the disability category.

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The pension paid by HUMANIS guarantees an income equal to 80% of the employee's previous gross salary regardless of his disability category. This pension is subject to deduction of social security contributions. It is paid in addition to:

- Social security benefits
- Salary received in the case of part-time employment
- The amount of unemployment insurance benefits where appropriate.

The pension is paid directly to the beneficiary, in principle on a quarterly basis, on presentation of social security statements unless otherwise requested. In this case, the pension may be paid at the same rate as the payment by the social security system of Invalidity or Permanent Professional Incapacity pensions, on periodic submission to the Institution of proof of the continuation of these payments

The payment of the pension ceases:

- As soon as the beneficiary resumes a professional activity without reducing his gross remuneration,
- As soon as the Social Security itself ceases to pay an Invalidity pension or a pension in respect of accidents at work or occupational diseases,
- On the day fixed by a possible medical check-up,
- On the date of payment of the old-age pension

Permanent and Absolute Disability

Permanent and Absolute Disability refers to the case of the beneficiary recognized as a third category of Disability by the Social Security.

In this case, HUMANIS pays a base capital corresponding to 100% of the prior annual salary within the limit of *Tranche 1* (€40.524.00) plus 200% of the prior annual salary within the limit of *Tranche 2* (€324.192.00).

The pension is increased by 50% per dependent child².

² The child is considered dependent:

- Until his unconditional 18th birthday
- Until his 26th birthday, subject to:
 - Pursue studies in a secondary, higher or vocational school
 - To be an apprentice
 - To pursue vocational training in work-study programs
 - To be recognized disabled of 2nd or 3rd degree by the Social Security
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DEATH AND DISABILITY INSURANCE IN CASE OF DEATH

In the event of the employee's death, HUMANIS pays a base capital corresponding to 100% of the prior annual salary within the limit of *Tranche 1* (€40.524.00) and 200% of the prior annual salary within the limit of *Tranche 2* (€324.192.00) plus an additional 50% of this amount per dependent child. The social security ceiling increases each year.

The amount of the capital is also dependent on the cause of death: in the event of the employee's death, following an accident at work or an occupational disease recognized by the Social Security, the death and disability insurance pays an additional capital representing 100% of the capital allocated in the event of death or Permanent and Absolute Disability (all causes).

Beneficiary of the death benefit

In the absence of a specific designation of the beneficiary by the employee, or if such designation has lapsed, or in the event of the death of the beneficiary or beneficiaries before the employee's death, the beneficiaries of the Death benefit are:

- The spouse (spouse, partner bound by a Civil Solidarity Agreement (PACS), the employee's partner within the meaning of Article L. 518-5 of the Civil Code³, when on the employee's death, the partners can prove that they have a living together for at least two years - in the event of birth or adoption, the two-year period is not required,
- Failing this, the children born or unborn, dependent or not, of the employee, in equal shares among them,
- Failing this, the employee's heirs, in equal shares among themselves, including those who have renounced the succession.

At the time of or during enrollment, the employee may appoint any other person or set a different order for the allocation and sharing of capital, using the form available by clicking [here](#)

This designation of beneficiary by name may be reviewed at any time, particularly if it is no longer appropriate (change in the employee's family situation, birth, etc.).

³ Cohabitation is a common-law relationship, characterized by a stable and continuous life together between two persons of the opposite or same sex who live together as a couple.

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In the event of cancellation by the employee or in the event of revocation under the Civil Code, without new designation, the contractual designation applies.

Funeral expenses

The death and disability insurance pays an allowance equivalent to the monthly social security ceiling (€3,377.00 in 2019) in the event of the death of the employee, his spouse or dependent child.

Education allowance

In the event of an employee's death or of his being declared permanently and absolutely disabled, the insurance pays an allowance equivalent for his dependent children as follows

- Dependent child under 6 years of age 6% of the prior annual salary
- Dependent child from 6 to 16 years old: 9% of the prior annual salary
- Dependent child over 16 years of age up to 18 or 25 years of age (see footnote 3 on page 4, concerning the definition of dependent child): 15% of the prior annual salary.

Widow's pension

In the event of the death or Permanent and Absolute Disability of an employee without dependent children at the time of his death, a temporary pension of 10% of the prior annual salary is paid to the spouse for a maximum period of 5 years.

Do you have any further questions? Feel free to contact the Human Resources Department.