

# Insurance on the assignment

What insurances are you covered by on the assignment

- [Accident insurance](#)
- [Professional liability insurance](#)
- [Payment guarantee](#)

# Accident insurance

As an employed Smart member, you are insured by Smart during your professional activities. The condition for the insurance coverage is invoicing via Smart. The insurance is valid worldwide, with the exception of the USA and Canada. The insurance provider is ERGO direkt.

If you have an accident on the way to the assignment or during the assignment you will be covered by our **work accident insurance**.

All employed Smart members are insured against accidents with the **Verwaltungsberufsgenossenschaft (VBG)**.

## The accident insurance covers:

- Accidents in the course of work and on business trips (including abroad - please note: you must always notify Smart in advance if you are working abroad, see [delegation abroad](#))
- Accidents on the direct route to work, back home and on necessary detours.
- Accidents in home office while performing work-related tasks
- Occupational illnesses

In the event of an accident, you should not seek further treatment from your family doctor after initial treatment, but from a specialist with accident medical knowledge, a so-called **transit doctor** (*Durchgangsarzt*). Report the accident to Smart immediately using the [accident report form](#) so that we can report it to the employers' liability insurance association in good time.

If you are unable to work for longer than three days due to an accident at work or occupational illness, the employer's liability insurance association must be notified by both the doctor and the employer, i.e. Smart. In such a case, please contact Smart as soon as possible.

From the day on which a doctor diagnoses an inability to work as a result of an accident at work or an **occupational illness**, you will continue to receive salary from your Smart Budget for six weeks. After the six weeks, you will receive so-called **injury benefit** (*Verletztengeld*) amounting to 80% of your regular gross salary less social security contributions. The injury benefit is paid by the employers' liability insurance association and does not affect your Smart Budget. The employers' liability insurance association also covers the costs of rehabilitation measures, such as crutches, a wheelchair, a modified car, reorganization of your workplace or home, etc. If reintegration into your previous job is not possible, the Berufsgenossenschaft will help you find a new job or pay for retraining.

Please note: If Smart is your second job and you had an accident at your main employer, you should still send us the certificates of incapacity for work.



# Professional liability insurance

If things are damaged or someone else is injured during the execution of your order, our **professional liability insurance** is liable.

Orders carried out outside of Smart are NOT covered by the insurance. For this purpose, we recommend extra business liability insurance for part-time self-employed activities.

The cooperative **does not have event insurance**. If you organize an event, you must take care of the extra insurance.

## Membership of professional associations for certain occupational groups

Smart is part of the **Berufsgenossenschaft VBG** as a "mixed group": all occupational groups mentioned in the cooperative's statutes are covered. If there is a compulsory membership in another trade association for your activity, please let us know.

Please note: Some activities might not be covered by the liability insurance, e.g. services of higher risk or some services provided abroad. Please contact Smart in case of questions.

In the event of damage, please contact us immediately in writing and describe the following points:

- Who caused the damage?
- When and where did the damage occur (exact address, date and time)?
- Who was damaged?
- What damage was caused?
- Was the damage recorded by the police?
- Are there any witnesses to the damage?
- Is the damage documented with pictures?

# Payment guarantee

If you handle your orders through Smart and are employed by Smart, you can benefit from the **payment guarantee**.

## The payment guarantee includes two aspects:

1. The **salary guarantee** means that you receive an averaged salary from Smart at the end of the month based on future orders. Smart advances your salary and pays it out to you even if Smart has not yet issued the invoice to your client or is awaiting payment from your client. This ensures that you receive a regular salary at the end of each month, making you less dependent on fluctuating payments. You can determine with Smart which salary category suits you best and can adjust this category depending on your planned orders.
2. Under the **payment default guarantee**, you continue to receive your salary even if Smart has not been paid on time by your client. In this case, Smart will take care of contacting your client and reminding them to pay the invoice. If, despite multiple payment reminders, your client does not pay the invoice from Smart, Smart will formally demand payment from your client. Before Smart takes this step, you will be contacted to discuss the details. If your client does not pay the invoice even after a payment demand, Smart is liable with the assets of the cooperative.

## The two basic requirements of the payment guarantee are:

1. Your client has formally **confirmed the order online or by signing the order form** (or framework agreement) with Smart. Only then does Smart have the legal basis to demand payment from your client and send a payment reminder or effect debt collection.
2. Your client is **based in the European Union**. For clients outside the European Union, it is very difficult for Smart to demand payments and send payment reminders.

## When does the payment default guarantee not apply?

- Your client has not signed the order form or framework agreement and did not confirm the order online. In this case, Smart has no legal basis to demand payment from your client or send a payment demand.
- Your client is based outside the European Union.
- The service period lies in the past (client confirmation through the portal cannot be done on that order, as changes are not possible)
- You have not completed the order to the satisfaction of your client. As there are often different perspectives in such cases, Smart offers to act as an intermediary in close

communication with you to reach an agreement with your client that satisfies all parties. This can be advantageous for you, as Smart has a lot of experience in mediating disputes and can be seen as a stronger counterpart. If an agreement is reached with your client to only pay a portion of the invoice, the payment default guarantee applies only to that partial amount. If you disagree with the agreement, you can convene an independent committee consisting of other Smart members.

- You have only partially completed the order. In this case, the payment default guarantee applies only to the part that has actually been completed and invoiced.
- The order could not be fulfilled due to force majeure (e.g., COVID-19). If an individual contractual arrangement exists with your client regarding order failures due to force majeure (e.g., compensation payment), the payment default guarantee applies only to the contractually regulated compensation payment.
- If you do not allow Smart to send a payment reminder or demand to your client.

### **Special conditions for framework agreements / orders with recurring payments:**

If you have agreed to a confirmed and signed framework agreement with a client in the European Union, the following applies:

- Estimate the planned units or hours you will provide to the client per month and select an appropriate employment category. A minimum estimate of units or hours must be included in the signed framework agreement so that a realistic employment category can be chosen.
- If the estimate does not materialize as expected (if you work more or fewer units or hours per month), your employment category can be upgraded or downgraded to balance your budget.
- The payment default guarantee applies only to the units or hours actually invoiced and provided.
- Clients outside the European Union or unsigned order forms or framework agreements: There is no payment default guarantee in these cases.
- Payments to Smart via a credit without a signed order form and invoice: Your employment with Smart can only begin or be extended in these cases when your client has paid invoices or credits totaling the first or next month's salary in your chosen employment category. There is no payment default guarantee in these cases.

### **Special conditions for higher amount invoices**

- Invoices of €500.00 or more to private clients abroad in the EU - additional security measures are required — specifically, your client's bank account details (IBAN). This will assist our international debt collection service in recovering your funds in case of non-payment. Please inform your clients and send us the relevant information. Alternatively, we can contact them directly. If this information is not provided, the invoice can be issued without a payment guarantee.
- **Invoices of €5000.00** or more to all clients - if using the client confirmation through Smart Portal, the order needs to be additionally signed by the clients.

In some cases, **e-mail correspondence** can also be used for the payment guarantee.

The following conditions must be met for any proof that does not run via the client confirmation in the portal:

- Smart must be mentioned as the contractual partner.
- It must be clear to which service the confirmation applies, as well as the service period and the invoice amount.
- The client must be clearly recognizable from the correspondence with the full name.