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** *(Durchgansarzt)*. 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 means that at the end of each month you receive an averaged salary that is also based on your planned future order forms. Smart advances this payment and pays out your salary even if we did not issue the invoice to your client, or we are still waiting for your client's payment.This ensures that you receive a regular salary at the end of each month and you are less dependent on fluctuating payment schedules. In consultation with Smart, you can decide which salary category suits you best. This category can be adjusted depending on your planned order forms.

In short: the payment guarantee means that the value of your order forms is already available in your budget, regardless of when your client pays.

This also means that you will continue to receive your salary even if your client delays payment and does not pay the invoice on time. In this case, Smart will contact your client and remind them to make the payment.

If your clients still do not pay the invoice after several payment reminders, Smart will formally request payment from the respective client. Before taking this step, Smart will contact you to discuss the details. If your client still does not pay after a formal payment request, Smart takes the financial responsibility.

Requirements for the payment guarantee

1. Your client has formally confirmed the assignment online or by signing the order form or service contract. Only then does Smart have the legal basis to request payment from your client and send payment reminders or formal payment requests.
2. Your client is based in the European Union.

When does the payment guarantee not apply?

1. When you skipped the client confirmation when creating the order form and no signed order form or service contract exists. In this case, Smart has no legal basis to claim payment from your client or send a payment request.
2. When your client is based outside the European Union. In this case it is very difficult for Smart to enforce payment.
3. When your client is a private individual. Our experience shows that reminder procedures and debt collection are rarely successful with private clients. We are currently working on

a digital solution in the portal that will enable instant payments.

4. When the work was not completed to the satisfaction of your client. In such cases there are often different interpretations. Smart can act as a mediator in close communication with you and help reach an agreement with your client. If it is agreed that only part of the invoice will be paid, the payment guarantee only applies to that partial amount.
5. When the assignment was only partially completed. In this case the payment guarantee only applies to the part of the work that was actually completed and invoiced.
6. When the assignment could not be carried out due to force majeure. If there is a contractual agreement with your client regarding cancellations due to force majeure, for example a cancellation fee, the payment guarantee only applies to that agreed amount. Members are responsible for recording these conditions in the additional agreement section of the order form.
7. When you do not allow Smart to send payment reminders or payment requests to your client.

Special rules for framework contracts or recurring order forms

If you have a confirmed or signed framework contract with a business client in the European Union, the following applies: you estimate the number of units or hours you plan to work for your client each month and choose a corresponding employment category. A minimum estimate of units or hours must be included in the signed framework contract so that a realistic employment category can be selected. If the estimate later turns out to be inaccurate and you work more or fewer units or hours per month than planned, your employment category can be adjusted so that your budget balances out.The payment guarantee only applies to the units or hours that were actually delivered and invoiced.

There is no payment guarantee for private clients, clients outside the European Union, or order forms without a signed framework contract.

Payments to Smart without a signed order form

If there is no signed order form, your employment at Smart can only begin or be extended once your client has paid. In this case, no payment guarantee applies.

Special rules for larger amounts

For invoices of **€5,000 or more** issued to business clients, the order forms must also be signed and uploaded again during the client confirmation process.

Order forms can be confirmed up to **two months in advance**.

Note

If, after a payment guarantee has been granted, it is discovered that the order form was based on incorrect information, Smart reserves the right to recover any financial losses from the member.