



Attn.: (Statutory) Directors

Philipsburg, July 11, 2024

Subject: Policy – Director Majority shareholder (DMS) – September 1, 2024

Dear Sir/Madam,

By means of this message the Executing Body of the Social and Health Insurances (hereafter: USZV) informs you of the updated DMS policy regarding the status of the Director Majority Shareholder (hereafter: DMS).

The DMS policy which became effective September 1, 2022, is herewith retracted and replaced with this updated DMS policy, which will become effective **September 1, 2024**.

In accordance with (recent) case law, the Court re-confirmed that the DMS cannot be regarded as an employee within the meaning of the National Ordinances for Sickness and Accident Insurance as well as for the Cessantia National Ordinance, due to the lack of an authority relationship (In Dutch: *gezagsverhouding*).

In view of the foregoing, and in the interest of transparency and clarity, the USZV uses the following explanation of DMS, who cannot be considered an employee within the scope of the National Ordinances for Sickness and Accident Insurance and the Cessantia National Ordinance:

1. The (statutory) director (and his/her wife/husband) who directly or indirectly hold(s) more than 50% of the shares of the company and can cast more than 50% of the votes at the general meeting of the company.
2. The (statutory) director (and his/her wife/husband) of whom the relatives by blood and marriage up to and including the third degree of the (statutory) director (and his/her wife/husband) jointly hold two thirds or more of the shares of the company.
3. The (statutory) director (and his/her wife/husband) who cannot be dismissed against his/her will, because an increased majority of votes is required, which cannot be achieved without the votes of the (statutory) director (and his/her wife/husband).
4. The directors of a company who, in addition to being a director, are also 50% shareholders of the company and who cannot be dismissed against their will because of their say in the decision-making process.

The effective date of this updated DMS policy is **September 1, 2024**. All new applications and/or registrations must be accompanied by the Chamber of Commerce registration, including shareholder registration, as well as a copy of the deed of incorporation of the company for verification by the USZV. Based on the received documentation, the USZV will determine whether or not the application and/or registration can be processed.



This updated DMS policy will be applied in keeping with the law and existing case laws. This means that no distinction will be made between DMS. The DMS who opted to remain registered with USZV per the previous DMS policy which became effective September 1, 2022, will be required to take out private insurance and/or to make alternative arrangements per September 1, 2024.

If you have any questions or would like further information, you can contact us via email: info@szv.sx or telephone number: +1 (721) 546 -6782.

I trust to have informed you sufficiently.

Sincerely,

On behalf of USZV,

Glen Carty
Director