SPECIAL CONDITIONS OF LIFE ANNUITY INSURANCE

Identification codes P100(s), P101(s) and P111(s)

TI.0090.11

The special conditions of life annuity insurance shall apply together with the general conditions of life insurance contracts of ERGO Life Insurance SE Eesti filiaal. In case of any differences between the general conditions of life insurance contracts and the special conditions, the special conditions shall apply.

1. Insurance event and sum insured

1.1. The insurance event is the term determined in the contract or the death of the insured person. If the insured person is alive upon maturity of the term, the lifetime annuity (pension) shall be paid on an annual, semi-annual, quarterly or monthly basis, as agreed in the contract. The annuity shall be paid until the end of the guaranteed payment period agreed upon conclusion of the contract, irrespective of whether the insured person lives until that term or not. The beginning time of the guaranteed annuity payments shall be understood as the beginning of the annuity payments.

Instead of periodic annuity payments, the policyholder shall be entitled to demand a lump-sum payment of the contractual annuity if:

- 1.1.1. the insured person is alive upon maturity of the term for payment of annuity;
- 1.1.2. the insurer has received a corresponding application at least three months before the beginning of annuity payments;
- 1.1.3. there exists no special agreement that would preclude the payment of annuity as a lump sum.

1.2. If the insured person dies before the beginning of annuity payment, indemnity shall be paid which is calculated based on the premiums that have become collectable, less the contract administration costs according to the price list and additional payments arising from the manner of payment of premiums.

1.3. If the insured person dies during the guaranteed payment period of annuity, the contractual annuity shall be paid until the end of the guaranteed payment period. Instead of the annuity payable until the end of the guaranteed payment period, a lump-sum payment may be agreed on which equals the discounted annuity payments to be received from the time of death of the insured person until the end of the guaranteed payment period. If the insured person dies after the end of the guaranteed payment period of annuity, the payment of annuity shall be terminated as of the calendar month following the death of the insured person.

2. Profit sharing

An annual profit share and a final profit share shall be calculated for each insurance contract.

2.1. The annual profit share shall be used to increase the future annuity during the insurance period. The annuity increased on account of the annual profit share cannot be reduced by the insurer in the future. The increased part of the annuity shall also participate in the further allocation of the profit. Upon payment of the surrender value, the surrender value of the increased part of the annuity shall be also paid.

2.2. The final profit share shall be paid only upon expiry of the insurance period, i.e. with the life annuity, buts the amount of the final profit share shall be calculated in each insurance year. The amount of the final profit share may change during the insurance period. Upon maturity of the term for payment of the annuity, the final profit share shall be recalculated into additional life annuity.

2.3. During the annuity payment period, the allocated annual profit share shall be used to increase the annuity.

3. Cancellation of insurance contract. Withdrawal from insurance contract. Change of contract to a premium-exempted contract. Expiry of insurance contract

3.1. Upon cancellation of or withdrawal from the insurance contract, the insurer shall pay the surrender value. In the first insurance years, no surrender value has been created or it is very small. The surrender value is usually smaller than the total insurance premiums paid.

3.2. The surrender values of the insurance contract as of the end of the insurance year shall be set out in the insurance contract.

3.3. Upon cancellation of the insurance contract during the guaranteed payment period, the insurer shall pay the surrender value. The surrender value equals the discounted pension premiums to be received as of cancellation of the contract until the end of the guaranteed payment period. There shall be no surrender value after the end of the guaranteed payment period.

3.4. The insurance cannot be partially terminated or changed to a tax-exempted insurance contract at the wish of the policyholder if the remaining annuity or sum insured is smaller than the minimum amount agreed between the insurer and the policyholder. In such case, the policyholder can fully terminate the insurance. The minimum amount shall be EUR 230; the minimum premium shall be EUR 12, unless the parties have agreed otherwise.

3.5. The insurance contract shall expire upon occurrence of an insurance event or payment of the agreed annuity or if the policyholder cancels the contract.

4. Possibilities for alteration of insurance contract

The policyholder may alter the insurance cover arising from the contract according to his (her) needs during the insurance period.

4.1. The possibilities that do not require the consent of the insurer shall be as follows:

- 4.1.1. change of the beneficiary;
- 4.1.2. change of the insurance to a premium-exempted contract;
- 4.1.3. reduction of insurance premiums from the beginning of the next insurance year;
- 4.1.4. change of the manner for payment of insurance premiums.

4.2. Possibilities that require the consent of the insurer shall be as follows:

- 4.2.1. conclusion of additional insurance contracts;
- 4.2.2. increase of pension from the beginning of the next insurance year;
- 4.2.3. scheduled increase of the insurance premiums by a certain percentage of the premium for the first insurance year (linear increase) or by a certain percentage of the premium for the previous year (progressive increase);
- 4.2.4. pledge or assignment of a claim;
- 4.2.5. assumption of a loan with a collateral of the surrender value.

5. Special provisions of income-tax favored pension insurance contract

5.1. The policyholder and the insured may be only natural persons.

5.2. The payment of annuity shall begin when the policyholder attains 55 years of age.

5.3. The policyholder may not use his (her) proprietary rights arising from the contract to secure a loan or encumber such rights otherwise.

5.4. The pension shall be paid on a monthly or quarterly basis.