ERGO

SPECIAL CONDITIONS OF DEFFERED PERIOD PENSION INSURANCE

Identification codes P6(s),P9(s)

TI.0091.11

The conditions of deffered period pension 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 these special conditions, the special conditions shall apply.

1. Insurance event and sum insured

1.1. The insurance event is the death of the insured during the validity period of the contract or the term specified in the contract (beginning of pension payments). If the insured dies during the insurance period, the sum insured shall be paid. If the insured is alive upon maturity of the term specified in the contract, the insurer shall pay the insurance pension as agreed in the contract:

1.1.1. as a lump-sum payment (sum insured)
or

1.1.2. as a deffered period pension on a quarterly or monthly basis as agreed in the contract;
or

1.1.3. as a lifetime pension (annuity) (see section 1.3).
The insurance contract shall set out the sum insured as well as the amount of term pension.

1.2. A deffered period pension shall be paid until the end of the term agreed upon conclusion of the contract, irrespective of whether the insured lives until that term or not. If the insured dies during the pension payment period, the pension shall be paid until the end of the agreed term.
Instead of that, the payment of a lump-sum may be agreed which shall be calculated by discounting the pension payments to be made as of the time of the death of the insured until the end of the payment period.

1.3. Instead of the term pension, the policyholder may also select lifetime annuity. The amount of lifetime annuity shall be determined according to the rates of insurance services offered by the insurer at the beginning of the pension payments.
Upon agreement on lifetime annuity, the special conditions of the selected insurance type shall apply to the contract as of the beginning of pension payment.

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 sum insured during the insurance period. The sum insured that is increased on account of the annual profit share cannot be reduced by the insurer in the future. The increased part of the sum insured 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 sum insured shall be also paid.

2.2. The final profit share shall be paid only upon expiry of the insurance period, but the amount 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 pension, the increased part of the sum insured shall be recalculated into term pension, in case of life annuity to life annuity.

2.3. During the pension payment period, the allocated annual profit share shall be paid together with the pension.

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 each insurance year shall be set out in the insurance contract.

3.3. The insurance cannot be partially terminated or changed to a premium-exempted insurance contract at the wish of the policyholder if the remaining 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 2500; the minimum premium shall be EUR 12, unless the parties have agreed otherwise.

3.4. The insurance contract shall expire upon occurrence of an insurance event or payment of the agreed pension 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 contract 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. The 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 pension 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.