

ERGO Life Insurance SE
Term life insurance regulations No. 003
Valid from 10.20.2014

1. Key concepts used in the insurance regulations

The Insurer shall mean ERGO Life Insurance SE.

The Policyholder shall mean an adult natural person or a legal entity having concluded a term life insurance contract.

Insurance coverage shall mean an obligation of the Insurer to pay an insurance benefit upon the occurrence of an insured event.

Contractual parties shall mean the Insurer and the Policyholder.

The Insured shall mean a natural person indicated by the Policyholder and identified in the insurance contract, an insured event having happened in whose life shall lead to the payment of an insurance benefit by the Insurer. There may be several insured persons in one insurance contract. The concept "the Insured" used in the insurance regulations shall apply to any person insured under the insurance contract.

Beneficiary shall mean a person indicated in the insurance contract, who acquires the right to the insurance benefit in case of death of the Insured. The Policyholder may appoint and change persons entitled to receive insurance benefits under the insurance contract. In cases established by laws, beneficiaries may be appointed or changed only upon the Insured's consent.

2. Concluding an insurance contract

- 2.1. A person willing to conclude a term life insurance contract shall submit to the Insurer an application in the set form. The submission of the application and payment of a premium do not oblige the Insurer to conclude an insurance contract. The Insured persons shall complete questionnaires in the form set by the Insurer, if the Insurer so requires. Having concluded an insurance contract, the application and questionnaires submitted by the Policyholder shall form an integral part of the insurance contract.
- 2.2. Having assessed the insurance risk, the Insurer may refuse to conclude an insurance contract without giving any reasons. If an insurance premium has been paid according to the presented application before the assessment of the insurance risk and the Insurer's refusal to conclude an insurance contract, such a premium shall be returned to a person having paid it. If an insured event provided for in these insurance regulations happens during this period of time, the Insurer shall not be obliged to pay an insurance benefit.
- 2.3. Upon the Insurer's agreement to conclude an insurance contract, the Policyholder shall be issued an insurance certificate certifying the conclusion of the contract. The day of issuance of an insurance certificate shall be considered the day of conclusion of the insurance contract.
- 2.4. Upon the Insurer's consent, the Policyholder may include additional insurances in the insurance contract, conditions whereof are established in the Insurer's additional insurance regulations.

3. Insured events

- 3.1. An insured event is the death of the Insured during the validity period of the insurance contract (except for cases provided for in Chapter 4).
- 3.2. Court's declaration of the Insured to be dead is considered an insured event, if the date of death of the Insured acknowledged by an effective court decision falls within the validity period of insurance coverage. If the court declares the Insured to be untraceable, this shall not be considered an insured event.

4. Non-insured events

- 4.1. The following are non-insured events when an insurance benefit is not paid:
 - a) suicide of the Insured during the first 3 years of validity of the insurance coverage;
 - b) death of the Insured related to military activities, introduction of the state of war or emergency, internal unrest, nuclear energy effect or criminal acts of the Insured;
 - c) death of the Insured during the suspension of an insurance coverage;

d) death of the Insured caused by intent of the Policyholder, the Insured or the beneficiary (acts committed by direct or indirect intent), except for a suicide of the Insured after 3 years of validity of the insurance coverage.

5. Insurance object

5.1. Insurance object is a property interest related to life expectancy of the Insured.

6. Sum insured. Insurance benefit

- 6.1. The Policyholder may indicate the desired sums insured in the application. Sums insured whereon the Contractual parties have reached an agreement shall be indicated in the insurance certificate. The Insurer may set the minimum sum insured.
- 6.2. At the Insurer's consent, the Policyholder may conclude an insurance contract with a decreasing sum insured. In such a case, the initial sum insured, changes of the sum insured and terms of change shall be included in the insurance certificate. In case of the death of the Insured, insurance benefit in the amount of the sum insured valid at the moment of death of the Insured shall be paid.
- 6.3. Upon the death of the Insured, the sum insured of this person shall be paid to the Insured for an insured event.
- 6.4. In case of a non-insured event no insurance benefits shall be paid and insurance premiums shall not be returned.

7. Procedure for calculating and paying insurance premiums

- 7.1. Insurance premiums shall be calculated in light of the selected sum insured, insurance duration, age of the Insured and other risk factors. Having regard to insurance risk degree of the Insured, the Insurer may propose to the Policyholder to conclude an insurance contract applying different insurance premium tariffs.
- 7.2. The Policyholder shall pay a one-time premium or periodic premiums.
- 7.3. Insurance premium amounts and their payment terms shall be indicated in the insurance certificate. Insurance premiums shall be paid in advance for each insurance period. The first or one-time premium shall be paid immediately after the conclusion of the insurance contract. All other insurance premiums (regular premiums) shall be paid within the deadlines indicated in the insurance certificate.
- 7.4. The Policyholder shall pay insurance premiums in the national currency. The premium shall be converted to the currency of the insurance contract at an exchange rate set by the Bank of Lithuania on the day of the issuance of an invoice or another payment document. If the premium is paid late, the Insurer shall have the right to request the Policyholder to cover the difference having formed as a result of the change of exchange rates. The difference shall be covered at once.
- 7.5. The date of payment of the insurance premium shall be the date when the premium is credited to the Insurer's bank account. If the payment transfer does not allow determining the insurance contract according to which the insurance premium is paid, the date of payment of the insurance premium shall be considered to be the date of attribution of the payment to the insurance contract.
- 7.6. Other persons can also pay an insurance premium for the Policyholder on his behalf without acquiring any rights to the insurance contract and paid premiums.
- 7.7. If charges or fees applicable to the Insurer or insurance contract are changed, regular insurance premiums can be changed accordingly.
- 7.8. The Insurer shall have the right to request the Policyholder to compensate costs of medical check-up of the Insured to the Insurer's account, if the Policyholder refuses to conclude an insurance contract, fails to pay the first insurance premium or terminates the insurance contract in case provided for in paragraph 14.2.

8. Non-payment of insurance premiums

- 8.1. If the Policyholder fails to pay a regular insurance premium or its part within the period of time set in the insurance contract, the Insurer shall inform the Policyholder about that in writing at the Policyholder's expense. If the Policyholder fails to pay an insurance premium within 30 days from the date of sending the application, insurance coverage shall be suspended and restored only upon the Policyholder's payment of insurance premium arrears.
- 8.2. If the suspension of the insurance coverage due to a failure to pay an insurance premium lasts longer than 6 months, the Insurer shall have the right to unilaterally terminate the insurance contract.

9. Insurance contract validity terms

- 9.1. Insurance term shall be indicated in the insurance certificate. Insurance contract shall take effect in presence of all the following conditions: an insurance certificate has been issued to the Policyholder and the first insurance premium has been paid. The Insurer shall also have the right to acknowledge the contract's entry into force without the presence of all the above conditions. In case of a failure to pay the first complete insurance premium within 3 months from the day of conclusion of the insurance contract, the insurance contract shall terminate and it may be restored only at the Insurer's consent.
- 9.2. Insurance coverage shall take effect on the following day from the day of payment of the first insurance premium, but no earlier than the conclusion of the insurance contract, and no earlier than the start of insurance indicated in the insurance certificate.
- 9.3. At the Insurer's consent, insurance coverage can start earlier than indicated in paragraph 9.2.
- 9.4. The insurance contract shall terminate:
 - a) when the Insured dies and there are no other Insured persons in the insurance contract;
 - b) when all insurance benefits have been paid out;
 - c) if the Policyholder, who is a natural person, dies, or the Policyholder, who is a legal entity, has been liquidated and there are no successors of his rights and duties;
 - d) upon the termination of the insurance contract;
 - e) upon the expiry of the validity period of the insurance contract.
- 9.5. In case of death of the Insured, all insurance coverage applicable under the insurance contract to this person shall terminate.

10. Pre-contractual rights and obligations of the parties to the insurance contract

- 10.1. The Insurer undertakes to familiarize the Policyholder with these insurance regulations, insurance premium amounts and, having concluded an insurance contract, issue to him an insurance certificate. The Insurer must also present other insurance contract-related information, which the Insurer is obligated to present according to laws of the Republic of Lithuania.
- 10.2. When concluding an insurance contract and during its validity period, the Policyholder must present to the Insurer complete and correct information on the Insured. When concluding an application for the conclusion or amendment of the insurance contract at the time of conclusion of the insurance contract or during its validity period, a notice on an insured event or when answering questionnaires, profiles or questions presented by the Insurer, the Policyholder and the Insured must present to the Insurer the entire information known to them, which is necessary for the Insurer to assess insurance risk, determine circumstances, which can have essential impact on the likely occurrence of an insured event, investigation of an insured event and determination of insurance premium or insurance benefit amounts as well as other circumstances important for the insurance contract. The Insurer undertakes not to publish information on the Policyholder or the Insured received in the performance of the insurance contract, except for cases established in the insurance contract and other cases provided for by laws.
- 10.3. The Insurer shall provide insurance coverage believing that the Policyholder and the Insured have answered all questions presented in applications, profiles or questionnaires provided by the Insurer, especially those related to the current or previous illnesses, health problems and ailments, negative habits, hereditary diseases, work activities or leisure interests, completely and correctly.
- 10.4. If having concluded an insurance contract the Policyholder or the Insured is determined to have failed to fulfil his duty to disclose information at the time of conclusion of the insurance contract or during its validity period, and that he intentionally or negligently provided to the Insurer incomplete or false information about the Policyholder, the Insured or about the circumstances which can have essential impact on the assessment of insurance risk, the likelihood of the occurrence of an insured event, determination of the amount of insurance premiums or the sum insured, the Insurer shall have the right to terminate the insurance contract or reduce an insurance benefit, or to refuse to pay it altogether, except for cases when the circumstances, which the Policyholder and/or the Insured concealed, disappeared before the insured event or did not have any impact on the insured event.
- 10.5. The Policyholder must inform the Insured, his legal representative or the beneficiary about the concluded insurance contract and familiarize them with their rights and duties laid down in the insurance contract. If the insurance contract is amended, the Policyholder must present to the persons listed in this paragraph information on changes made to the insurance contract.

11. Rights and duties of the parties to the insurance contract during the validity period of the insurance contract

- 11.1. Notifications related to the insurance contract shall be presented in writing. For the Insurer, such notices shall take effect from the moment they were received. Insurance brokers operating on the Insurer's behalf shall not be authorized to accept notifications.
- 11.2. The Policyholder shall inform the Insurer about the change of correspondence address, or change of his name, surname or title within 3 working days.
- 11.3. If the Policyholder leaves for a foreign country for a period of time longer than 3 months, he shall indicate to the Insurer a person living in Lithuania authorized to receive Insurer's notifications on behalf of the Policyholder.
- 11.4. At the Policyholder's written request and his payment according to the Insurer's price list of additional administration services of the insurance contract, a duplicate insurance certificate shall be issued. Based on a written request of the Policyholder, the Insurer may also provide other additional contract administration services. The Policyholder must pay for the provided services according to the price list of additional administration services of the insurance contract.
- 11.5. The Policyholder may change the beneficiary at any time before an insured event, except for cases established by laws and laid down in paragraph 11.6 of these insurance regulations. If the beneficiary was appointed with the consent of the Insured, the beneficiary may be changed only upon the consent of the Insured.
- 11.6. If the beneficiary was appointed irrevocably, the Policyholder may change the beneficiary only with the latter's consent.
- 11.7. If the beneficiary was appointed irrevocably, the Policyholder cannot terminate the payment of insurance benefits or reduce the sum insured without the beneficiary's consent. If the Policyholder stops paying insurance premiums, the Insurer can inform the irrevocably appointed beneficiary about that.
- 11.8. The Policyholder shall immediately inform the Insurer in writing about his intent to transfer or pledge his rights deriving from the insurance contract.

12. Procedure for determining insurance benefits

- 12.1. In case of the death of the Insured, the Insurer needs to present the following:
 - a death certificate (or its notarized copy);
 - detailed doctor's certificate or certificate from a medical institution about the reason of death, also about the start and the course of the disease of which the Insured has died.
- 12.2. The Insurer must be informed about the death of the Insured within 30 days from the day of his death or 30 days from the effective date of a court decision to declare the Insured person dead.
- 12.3. Documents necessary for determining and evaluating an insured event and expenses related to the issuance of documents certifying an insured event shall be covered by the person seeking for an insurance benefit.
- 12.4. In order to determine whether insurance benefits should be paid, the Insurer may request for additional documents and/or proof, or conduct the necessary research at its own expense, using investigation material of pre-trial investigation institutions, their conclusions, procedural decisions and/or court rulings, decisions, resolutions and judgement as a basis. The scope of the necessary information shall be determined by the Insurer. When collecting information important for determining the fact of an insured event, its circumstances, consequences and benefit amount, the Insurer shall have the right to request the persons having submitted applications for benefits, health care institutions, law enforcement authorities or other natural and legal persons to submit documents on the right of inheritance issued in the procedure prescribed by laws of the Republic of Lithuania, documents certifying identity or kinship, medical reports, diagnoses, other medical documents, documents certifying the fact of death of the Insured, explanations, conclusions and all other verbal and written information, which, in the Insurer's opinion, is necessary to examine the event and determined the insurance benefit.
- 12.5. If the age of the Insured was indicated incorrectly, and lower insurance premiums were set as a result, an insurance benefit shall be calculated according to the actual age of the Insured and the set insurance premiums.
- 12.6. If the sum insured was increased and the Insured has committed a suicide within the first 3 years from the increase of the sum insured, except for the case provided for in paragraph 4.1 a), the paid sum insured shall be equal to the lowest sums insured of the Insured valid during the past 3 years.
- 12.7. If the sum insured was increased and the first insurance premium has not been paid according to the amendment to the insurance contract on the increase of the sum insured, upon the occurrence of an insured event the sum insured valid until its increase will be paid.

13. Procedure for the payment of insurance benefits

- 13.1. Insurance benefits shall be paid to beneficiaries indicated in the insurance contract. If the beneficiary has not been specified in the insurance contract, in case of the death of the Insured insurance benefits shall be paid to heirs of the Insured. The Insurer shall pay all other benefits according to the insurance contract to the Policyholder, persons authorized by him to receive other benefits and his heirs. In case of the death of a minor or incapable person, an insurance benefit shall be paid to his heirs.
- 13.2. The Insurer shall pay insurance benefits to the beneficiary at his expense. Benefits shall be transferred to the account indicated by the beneficiary. When paying benefits abroad, the risk related thereto and costs shall rest with the beneficiary (currency exchange, transfer costs, losses, delays, etc.)
- 13.3. The Insurer shall pay insurance benefits within 30 days from the day when it receives all information important in determining the fact of an insured event, its circumstances, consequences and the benefit amount (including additional information from law enforcement authorities, health care institutions, etc.). If an investigation of law enforcement authorities is conducted for an insured event, or a judicial process has started, the Insurer shall have the right to postpone the decision on an insurance benefit till the end of the investigation or the judicial process. The Insurer shall make a decision on whether the received information is sufficient for declaring an event to be an insured event and determining the benefit amount.
- 13.4. The Insurer shall pay insurance benefits in the national currency according to a currency exchange rate set by the Bank of Lithuania valid on the day of payment of the benefit. The Insurer shall have the right to reduce an insurance benefit by the amount of insurance premiums unpaid before the insured event and deduct amounts related to the conclusion and execution of the insurance contract unpaid by the Insurer in the procedure set.
- 13.5. Upon an agreement of contractual parties, insurance benefits may be paid in instalments.

14. Pre-term termination of the insurance contract

- 14.1. The Policyholder shall have the right to terminate the insurance contract having warned the Insurer about that in writing no later than one month before the planned date of termination of the insurance contract.
- 14.2. If the Policyholder, who is a natural person, terminates the insurance contract, the term of which is at least 6 month having informed the Insurer about that in writing within 30 days from the moment when he was informed about the concluded insurance contract, the Insurer shall return to the Policyholder the entire insurance premium paid.
- 14.3. The Insurer may unilaterally terminate the insurance contract in cases laid down in paragraphs 8.2 and 10.4 of these insurance regulations and/or laws of the Republic of Lithuania.
- 14.4. When an insurance contract is terminated at the Insurer's initiative in case of the Policyholder's breach of insurance contract conditions, insurance premiums shall not be returned to the Policyholder. The Insurer shall return a part of one-time insurance premium for the remaining insurance validity period having deducted costs of conclusion and execution of the insurance contract.
- 14.5. When an insurance contract is terminated at the Policyholder's initiative, except for cases established in paragraphs 14.2 and 14.6, insurance premiums shall not be returned to the Policyholder. The Insurer shall return a part of one-time insurance premium for the remaining insurance validity period having deducted costs of conclusion and execution of the insurance contract.
- 14.6. If the insurance contract is terminated at the Policyholder's initiative in case of the Insurer's breach of insurance contract conditions, the paid insurance premiums shall be returned to the Policyholder additionally paying a benefit of 1% of the returned premiums amount, from which the Insurer shall have the right to deduct amounts unpaid in the procedure established by the Insurer related to the conclusion and execution of the insurance contract.
- 14.7. If the Policyholder has not indicated any other authorized person, the beneficiary shall receive a notification on the termination of the insurance contract after his death. If there are no beneficiaries or locating them is impossible, the notification may be handed in to the Policyholder's heirs or successors.

15. Amendment of the insurance contract

- 15.1. The Policyholder shall inform the Insurer about the desired amendments to the insurance contract in writing no later than one month before the planned amendment date of the insurance contract. Having assessed the insurance risk and other circumstances important for the Insurer, the Insurer

may refuse to amend contract conditions. Amendments to the insurance contract shall take effect from the date indicated in the amendment to the insurance contract.

- 15.2. If the Policyholder expresses his wish to pay lower insurance premiums, the Insurer may uphold his request only if the newly calculated sum insured and insurance premiums in line with it are no lower than the minimum amounts set by the Insurer.
- 15.3. If insurance coverage was suspended in case of the Policyholder having failed to pay an insurance premium in a timely manner, its validity shall be renewed on the following day after the Policyholder's payment of all insurance premiums unpaid in due time. If the Policyholder fails to pay insurance premiums within 6 months from the day of suspension of an insurance coverage, insurance coverage may be restored only at the Insurer's consent and under insurance conditions set thereby.

16. Liability for breach of the insurance regulations

- 16.1. If the Policyholder fails to pay an insurance premium or another amount according to the insurance contract in due time, the Policyholder shall, at the Insurer's request, pay the Insurer late payment interest of 0.02% of the outstanding amounts for each day of delay.
- 16.2. If the Insurer fails to pay insurance benefits within the set period of time, he shall, at the Policyholder's request, pay late penalty interest of 0.02% of the outstanding insurance benefit amount for each day of delay.

17. Procedure for the assignment of rights and duties under the insurance contract

- 17.1. Having received a permit of an insurance supervisory authority and on the basis of a written contract, the Insurer shall have the right to assign his rights and duties under an insurance contract to another insurance company, insurance company of another Member State of the European Union or a branch of a foreign insurance company established in the Republic of Lithuania, or another European Union Member State in the procedure prescribed by laws of the Republic of Lithuania.
- 17.2. The Insurer's notification to the Policyholder on its intention to assign rights and duties under the insurance contract shall indicate a period of time no shorter than two months, during which the Policyholder shall have the right to express to the Insurer his objections on the intention to assign rights and duties under the insurance contract.
- 17.3. If the Policyholder disagrees with the assignment of rights and duties under the insurance contract, the Policyholder shall have the right to terminate the insurance contract informing about its termination within one month from the assignment of rights and duties. The insurance contract shall be terminated from the day of receipt of a notification on the termination of the insurance contract. Having terminated the insurance contract on the basis laid down in this paragraph, a part of a one-time insurance premium shall be repaid to the Policyholder for the remaining insurance validity period, having deducted costs of conclusion and execution of the insurance contract.

18. Final provisions

- 18.1. The insurance contract shall be subject to laws of the Republic of Lithuania.
- 18.2. Disputes of the Policyholder and the Insurer may be solved in out-of-court procedure, following the rules for the examination of disputes between consumers and insurers set by the insurance supervisory authority, or in court pursuant to laws of the Republic of Lithuania.
- 18.3. The Insurer shall have the right to amend insurance regulations on the basis whereof the insurance contract has been concluded, if rights and interests of the Policyholder, the Insured and the beneficiary deriving from the insurance contract are not cancelled or restricted by such amendment.
- 18.4. The Insurer shall also have the right to supplement and amend certain paragraphs of the insurance regulations on the basis whereof insurance contract has been concluded in the following cases: in case of a change or emergence of new legal norms following which the insurance regulations have been drawn up, or in case of a change of legal norms directly related to the insurance contract, or in presence of an objective necessity due to some economic situation (for example, in case of a hyperinflation). Amendments to the insurance regulations shall take effect in 30 days from the day of sending of the Insurer's notice on the amendment to the insurance regulations by mail to the Policyholder, unless the Insurer has indicated otherwise.
- 18.5. The Insurer shall familiarize the Policyholder with amendments to the insurance regulations according to paragraphs 18.3 and 18.4. If the Policyholder does not agree with amendments to the insurance regulations, he shall have the right to terminate the insurance contract. When terminating the insurance contract on this basis, benefits shall be subject to provisions laid down in paragraph 14.5 of the insurance regulations.