

## COLLECTIVE INSURANCE OF KB'S VISA Electron CREDIT CARDS – INFORMATION LEAFLET FOR APPLICANTS

Komerční banka, a. s., and its daughter company Komerční pojišťovna, a. s., prepared a collective product that will provide you with certainty that any adverse situation will not endanger the future of you and your loved ones.

When you receive your VISA Electron credit card, you may be automatically accepted in the collective insurance. You are automatically included into the collective insurance of KB credit cards if you meet the following condition:

- age at the entry of the insured (client) is limited to 18 - 55 years. The insurance is automatically terminated by elapse of the day preceding the 60th birthday of the insured.

The premiums are then paid by Komerční banka, a. s., on your behalf.

The insured is included into the collective insurance of KB credit cards upon entering into the Personal Credit Card Contract, potentially into the Amendment to the Personal Credit Card Contract, if s/he meets the conditions for admission stipulated in the Contract as of this date. The insurance begins at the moment of the first use of the loan, or at the moment of entering into the Amendment.

This insurance is principally governed by Act No. 37/2004 Coll., the Insurance Contract Act, the Civil Code, insurance terms and conditions for collective insurance of VISA Electron credit cards (to be requested at branches of Komerční banka, a. s.) and the legislation of the Czech Republic applies to it.

### The collective insurance tied to the provided credit account includes:

#### ▪ Insurance against death

In case of the death of the insured, the insurance company settles the outstanding amount of the principal after the expiry of the three-month waiting period from the insurance commencement. In case of death due to an accident, the insurance indemnity shall be provided immediately. If the insured dies by suicide, the insurance company shall not provide any insurance indemnity. The insurance is terminated by the death of the insured.

#### ▪ Insurance against total disability

The insurance company shall provide insurance indemnity if, within the duration of the insurance, however, no sooner than after 2 years following the insurance commencement, you were granted the 3rd-grade disability pension. It is not requested to meet the two-year condition if the 3rd-grade disability pension was exclusively granted as a consequence of an accident. The insurance indemnity shall be paid out in a lump sum in the amount of the unpaid principal of the loan.

#### ▪ Insurance against inability to work

If you are incapable of working for a period of time longer than 2 months (i.e. deferred period), the insurance company shall provide insurance indemnity for each month of the inability to work in the amount of a monthly loan instalment after the expiry of the deferred period. The right to insurance indemnity arises after the expiry of the waiting period, which is 3 months, and starts on the day of the insurance commencement. The insurance against inability to work of the insured is terminated by the total payment of insurance indemnity for 24 months of the inability to work or by the insured's being granted the 1st-grade, 2nd-grade or 3rd grade disability pension or an extraordinary retirement pension (see PP, art. 5, paragraph 5.4.).

#### ▪ Insurance against loss of job

In the case of loss of job due to organisational reasons (i.e. a notice given by the employer pursuant to Section 52 (1) a) to c) of the Labour Code), the insurance company shall provide insurance indemnity for each month of your unemployment, however, for the period of 4 months maximum. The right to insurance indemnity arises after the expiry of the six-month waiting period (i.e. the period from the insurance commencement or from the commencement of each new employment) and the two-month deferred period (i.e. the period after the termination of employment). The amount of the monthly loan instalment is set in the amount of the stipulated monthly instalment. The employee must notify the insurer of the commencement of new employment and prove it in writing.

**For the above mentioned risks it applies that:** The part of the principal or the part of the stipulated monthly instalment incurred by using the loan for credit card transactions carried out after the occurrence of the insured event shall not be included in the insurance indemnity.

### The insurance is terminated at the moment of:

- termination of the Personal Credit Card Contract
- reaching the age of 60 years
- death of the insured
- payment of indemnity from the insurance against total disability
- refusal to provide insurance indemnity
- withdrawal of consent to the insured's sensitive data processing

### Notification of an insured event:

**Insurance indemnity** is tied to the benefit of the beneficiary which is Komerční banka, a. s., and it **is not subject to income tax**. If the insured event incurred by you relates to any of the above mentioned risks, **it is necessary to notify of this fact the relevant branch of Komerční banka, a. s.**, where the Personal Credit Card Contract was entered into. The insured shall exercise his/her right to insurance indemnity using the forms: "Application for changes in insurance" (for reporting the death of the insured and reporting the loss of job), "Notification of insured event – total disability" (for reporting the total disability of the insured), "Confirmation of inability to work" (in case of inability to work). In case of death of the insured, the death shall be reported by the beneficiary and the bereaved. These forms and other necessary information will be provided to you by your relationship manager. Together with the application, credit card statement and original or certified copy of the Personal Credit Card Contract the following shall be submitted:

- **in case of death of the insured** – Notification of insured event – DEATH, original or a certified copy of the death certificate, document proving the cause of the death of the insured (e.g. report of the attending physician, report of the Police of the Czech Republic, autopsy report, confirmation of the cause of death by the competent registry), address of the attending physician and contact to the bereaved person,
- **in case of total disability** – Notification of insured event – TOTAL DISABILITY / LOSS OF AUTONOMY", original or a certified copy of the decision of the Czech Social Security Administration to grant the 3rd-grade disability pension to the insured,
- **in case of inability to work** – Notification of insured event – INABILITY TO WORK completed by the physician and indicating the diagnosis, commencement, duration and termination of the insured's inability to work; copy of the hospital discharge report (in case of hospitalisation), employer's confirmation of the insured's employment or employer's confirmation that the employee is not in a notice period or has not terminated the employment by agreement; copy of Trade Certificate for self-employed persons; the insured has to submit a proof of the duration of the insured's inability to work no later than within 14 days of the continuation of the inability to work,
- **in case of loss of job** – Notification of insured event – LOSS OF JOB, copy of employment contract, employee's card containing records of employment and notice or employment termination agreement, indicating the date and reason for employment termination, and confirmation of the Labour Office that the insured is registered as a job applicant. If the insured is a citizen of any state other than an EU member state, s/he is obliged to submit copies of his/her work permit and residency permit for the territory of the Czech Republic.

The conformity of the copy with the original may also be verified by a KB employee.

### Address for correspondence and complaints:

The correspondence address is the address of the relevant branch of Komerční banka, a. s., which is the contact point for handling issues relating to the insurance. The contact for handling complaints is: Komerční pojišťovna, a. s., Client Service, Karolinská 1/650, 186 00 Prague 8. You may also contact the Czech National Bank, Na Příkopě 28, 115 03 Prague 1.