

**INSURANCE TERMS AND CONDITIONS OF INVESTMENT LIFE
INSURANCE "BROUČEK"**
of 1. 6. 2009**PART I – GENERAL PROVISIONS****Article 1 – Basic provisions****1.1.**

This private insurance of persons, the base of which is formed by the life insurance in the case of death or maturity and in which the investment risk is borne by the policyholder and which is arranged by Komerční pojišťovna, a. s., company registration number 63998017, registered office at Karolinská 1/650, 186 00 Prague 8 (hereinafter referred to as the "insurance company"), is mainly governed by Act No. 37/2004 Coll., Insurance Contract Act (hereinafter referred to as the "Insurance Contract Act") and by the insurance contract with these insurance conditions as an integral part thereof.

1.2.

This insurance, as well as the rights and duties arising from it, are governed by the legislation of the Czech Republic. The courts of the Czech Republic are the relevant courts for resolution of eventual disputes.

1.3.

The Czech language is the language of communication.

1.4.

All payments and amount related to the insurance are given and paid in the currency valid in the territory of the Czech Republic.

Article 2 – Definitions

The following notions are defined for these insurance conditions:

- a) **accident** – unexpected and sudden impact of external forces or own physical force independent of the insured person's will or unexpected, continuous and independent of the insured's will, impact of high or low external temperatures, gases, fumes, radiation (excluding nuclear), electricity and poisons (excluding microbial poisons and immunotoxic substances) causing damage to the insured person's health or death during the insurance period. Damage to health in this insurance means bodily damage. To eliminate any doubts, this definition does not consider the following events to be an accident – suicide, attempted suicide, intentional self-inflicted injury or judgement to declare the insured person dead. An accident also means following events independent on the insured's will – death by drowning, lightning incidence.
- b) **accident premium of the adult** – part of the due premium related to the accident rider of the insured adult
- c) **accident premium of the child** – part of the due premium related to the accident rider of the insured child
- d) **age-at-entry** – the real age of the insured adult at the moment of insurance commencement; the minimum age-at-entry in this insurance is 18 years
- e) **anniversary day** – a day with the same day number and month number as the date which is given in the insurance contract as the day and month of the insurance commencement. If there is no such day in the month, the anniversary day falls on the last day of such month.
- f) **anniversary day in the month** – a day with the same day number as the date given in the insurance contract as the day of the insurance commencement. If there is no such day in the month, the anniversary day in the month falls on the last day of such month.
- g) **appointed person** – a person who has the right to the insurance indemnity in the case of death of the insured child after expiry of the fixed insurance period and who may be designated or changed by the policyholder, with the approval of the insured child, after expiry of the fixed insurance period
- h) **beneficiary** – a person who, due to the insured event, has the right to insurance indemnity
- i) **benefit from the insurance** – the amount paid out in case of an insured event (insurance indemnity), in case of a surrender payment or special withdrawal or any other way of settlement
- j) **calendar age** – age of the insured child calculated as a difference of the current year and the year of birth of the insured child;
- k) **contract value** – the sum of individual values of funds and of the guaranteed interest fund
- l) **declared yield** – yield set by the insurance company at the end of the calendar year; the declared yield is always at least equal to the last expected yield set before the end of calendar year and is used to calculate the value of the guaranteed capital at the end of the calendar year

- m) **due date** – the day on which the premium is due to be paid;
- n) **due premium** – periodic premium determined for the insurance period or single premium determined for the entire insurance period;
- o) **expected yield** – the yield set by the insurance company for the calendar year; the insurance company is obliged to set the expected yield at least once per calendar year always at the beginning of the relevant calendar year; the expected yield is used to calculate the value of the guaranteed capital during the calendar year
- p) **fixed insurance period** – the period of insurance duration stipulated in the contract which begins on the day of insurance commencement and ends at 24:00 on the day preceding the anniversary day of the insurance in the calendar year in which the insured child reached 19 years of age
- q) **frequency of payments** – frequency of premium payments – monthly, quarterly, semi-annually, annually;
- r) **full disability** – full disability is a permanent and total inability of the insured to carry out, at the time of notifying the insurance company and anytime in the future, any gainful activity, for which the insured is adequately qualified as it results from his/her knowledge, educational attainment, qualification and experience, while considering whether the client can be requalified for any other gainful activity than which s/he has been performing up to now; the ability to carry out a continuous gainful activity has been lowered by at least 70%
- s) **fund** – set of different types of investments managed for the purposes of this insurance by an administrator entrusted by the insurance company;
- t) **fund value** – the value of each fund is equal to the number of units of the particular fund multiplied by their value for the relevant fund; the value of the guaranteed interest fund is expressed by the current amount of the guaranteed capital
- u) **gross premium** – part of the due premium which consists of the investment and risk premium
- v) **guaranteed capital** – part of the saving premium placed according to the policyholder's request directly from the paid premium or by the transfer from funds to the guaranteed interest fund, and decreased by performed partial withdrawals, transfers to other funds and related costs, and increased by the profit sharing for the finished calendar years and expected yield for the last unfinished calendar year;
- w) **guaranteed interest fund (GF)** – is covered by the life insurance reserve which is managed by the insurance company using investment rules based on the Insurance Act
- x) **insurance contract** – contractual relationship entered into between the insurance company and the policyholder concerning the provision of insurance coverage. The insurance company undertakes in the insurance contract to pay out the agreed sum upon occurrence of an insured event during the period of insurance duration and the policyholder undertakes to pay the stipulated premium; these insurance conditions create a part of the insurance contract.
- y) **insurance indemnity** – the amount which is paid out, according to the insurance contract, if the insured event arises
- z) **insurance of the agreed sum** – insurance in which the agreed financial amount is paid out if the insured event occurs; the amount does not depend on the occurrence or extent of the loss;
- aa) **insurance period** – the period for which the private insurance is entered into
- ab) **insurance term** – the period of time stipulated in the insurance contract for which each individual periodic premium payment is provided (e.g. one month in the case of monthly frequency of payments)
- ac) **insured adult, 1st insured person** – the adult to whose life or health in the fixed insurance period the insurance applies; if a protective insurance option, accident or hospitalisation rider exists, the insured adult is the same person as the policyholder who concluded the insurance contract
- ad) **insured child, 2nd insured person** – the person to whose life the insurance applies, his/her age at the moment of the insurance contract's conclusion is 14 calendar years maximum
- ae) **insured event** – an unexpected event specified in detail in the insurance contract which is associated with the insurance company's obligation to pay out the stipulated amount (i.e. insurance indemnity)
- af) **investment premium** – part of the gross premium related to the investment insurance
- ag) **periodic premium** – due premium paid in regular periods stipulated in the insurance contract

- ah) **policy** – confirmation of entering into the insurance contract
- ai) **policyholder** – the natural person who entered into the insurance contract with the insurance company and is obliged to pay the premium; if the policyholder dies, the insured child assumes rights and duties of the policyholder at the moment of his/her death
- aj) **premium** – payment for the insurance
- ak) **premium for hospitalisation of the adult** – part of the due premium related to the hospitalisation rider of the insured adult
- al) **premium for hospitalisation of the child** – part of the due premium related to the hospitalisation rider of the insured child
- am) **risk premium** – part of the gross premium from which the fixed sum insured against death is calculated
- an) **savings premium** – a part of the periodic or single investment premium used by the insurance company for creation of the life insurance reserve with the investment risk borne by the policyholder
- ao) **single premium** – due premium stipulated for the whole insurance period
- ap) **sum insured** – the amount stipulated in the insurance contract which the insurance company is obliged to pay out in case of the insured event
- aq) **surrender** – the entitlement of the policyholder to early settlement of the investment insurance, the amount of which arises from the actual value of the contract according to the rules set in these insurance conditions
- ar) **unit** – the part of the fund which represents the entitlement to the part of the fund value
- as) **waiting period** – the period after the commencement of insurance or rider during which the insurance company is not obliged to provide insurance indemnity
- at) **waiver of premium** – a form of insurance indemnity in periodic contracts by which the premium, specified in detail for the actual case, is paid
- au) **written questions of the insurance company** – questions answered in writing by the insured person/policyholder necessary for entering into/amending the insurance contract; these questions also include questions about the state of health (eventually the financial state) of the insured adult and insured child which must be answered, especially if stipulating protective option of the insurance and/or accident rider or hospitalisation rider

PART II – COMMON PROVISIONS OF THE INSURANCE CONTRACT

Article 3 – Insurance contract inception and its amendments

3.1.

The insurance commences at 00:00 o'clock on the day stipulated in the insurance contract as the day of insurance inception.

3.2.

The insurance contract is concluded when signed by both contracting parties.

3.3.

In the insurance with the periodic premium the policyholder is entitled, as of the due date, to ask for:

- change of the allocation ratio;
- change of the payment method and/or the bank account;
- change of the premium amount;
- change of the rider.

3.4.

In the insurance with the periodic premium the policyholder is entitled to require the change of payment frequency as of the anniversary day.

3.5.

The changes mentioned in Articles 3.3.b) to 3.3.d) and in Article 3.4. may always be carried out provided that all due financial claims of the insurance company are paid by the date of the change.

3.6.

If the contracting parties agree in writing on a change in the scope of the insurance, the insurance company provides indemnity from such changed insurance for insured events which arise after the day when the change becomes effective.

Article 4 – Health state

4.1.

Ascertainment of the health state

4.1.1.

If the protective option of the insurance and/or accident rider and/or hospitalisation rider is arranged, the insurance company is authorized to ascertain and investigate the state of health of the insured adult or insured child. Subscription to the insurance establishes the insurance company's right to request reports on the insured's state of health from

medical institutions where the insured adult or insured child is being treated, has been treated or is registered.

4.1.2.

Upon the insurance company's request, the insured person is always obliged to provide, at his/her own expense, the necessary medical documentation required by the insurance company. The insurance company may demand (in case of the permanent consequences of the accident will demand) that the insured adult or insured child undergoes a medical examination by a doctor designated by the insurance company. The insured adult and the insured child are obliged to prove his/her identity by an Identity Card or any other identity document.

4.1.3.

The insurance company covers the costs of transport by the means of public transportation of the insured to the place of medical examination. The insurance company does not cover the costs of transport of the insured person from abroad to the territory of the Czech Republic.

4.1.4.

The insurance company's right to ascertain and investigate the state of health of the insured adult or insured child is established upon conclusion, change and during the life of the insurance and/or accident rider and/or hospitalisation rider and during the settlement of insured events arising from them.

4.2.

On the basis of its investigation and if justified by facts ascertained during the investigation of the state of health, the insurance company is entitled to switch the insurance to the saving option in the case that the protective option of the insurance was stipulated. This right may be exercised by the insurance company no later than within the period of 2 months following the negotiation of the insurance or of its change or after the insured event investigation is terminated. The insurance company is obliged to inform the policyholder of this fact in the given period of time.

4.3.

The information which the insurance company ascertains when ascertaining the state of health may be used solely for protecting its interests, otherwise the insured adult's (or insured child's) explicit consent is required.

Article 5 – Insurance termination

5.1.

All types of insurance stipulated in this insurance contract are terminated by:

- agreement of contracting parties;
- notice of insurance contract termination within 2 months of its conclusion (Article 5.2.) or notice of insurance contract termination after 2 months from its conclusion (Article 5.3.);
- repudiation of the insurance contract (Article 5.4.);
- death of the insured child (Article 5.5.);
- discharge of investment insurance policy (Article 25).

5.2.

Notice of insurance contract termination within 2 months from its conclusion

5.2.1.

The insurance company or the policyholder may renounce the insurance contract within 2 months of the day of its conclusion.

5.2.2.

If the notice is given by the policyholder, this notice is effective as of date of delivery of this notice to the insurance company. The insurance company has the right to the risk premium and to the premium for all concluded riders until the date of insurance termination, the remaining amount up to the amount of the paid due premium belongs to the policyholder. However, the right to settlement in the amount of the contract value and deducted administration costs from the premium arises to the policyholder up to the amount of the paid investment premium maximum. The number of units as of the day when the policyholder's notice was delivered to the insurance company and their price on the day of disinvestment and the value of guaranteed capital on the day of the policyholder's notice delivery to the insurance company is used for the calculation of the value of the contract. The day of disinvestment is the first working day, on which the price of the unit is determined by the fund administrator, following the day of the policyholder's notice delivery to the insurance company.

5.2.3.

If notice is given by the insurance company, all insurance policies shall terminate upon expiry of an eight-day notice period following the day when the notice was delivered to the policyholder. The insurance company's right to the premium ceases to exist and it shall return the entire paid premium to the policyholder. The only exception is if there is

an insured event from any of the riders, then the insurance company is entitled to the premium for this rider until the day of insurance termination.

5.3.

If the policyholder repudiates the insurance any time after two months from entering into the insurance contract, the insurance contract shall be settled in the way specified in Article 22 – Surrender.

5.4.

Repudiation of the insurance contract

5.4.1.

If the policyholder or any of the insured persons provide, intentionally or due to negligence during the negotiation of the insurance contract, untrue or incomplete answers to the insurance company's written questions concerning the insurance to be concluded, the insurance company is entitled to repudiate the insurance contract. The insurance company may exercise this right within 2 months of the day when it learnt of such facts, otherwise this right shall expire. This shall also apply to all eventual amendments of the insurance contract.

5.4.2.

The policyholder also has the above-mentioned entitlement to repudiate the contract under the same conditions if the insurance company provided him/her with untrue or incomplete answers to his/her written questions concerning the insurance to be concluded.

5.4.3.

The repudiation of the contract makes the insurance contract void from the beginning. The entitlement to reimbursement for all reciprocally paid amounts arises to all participants. If the insurance company repudiates the contract, it is entitled to a reimbursement for the expenses related to the insurance inception and administration.

5.5.

If the insured child dies during the fixed insurance period, the value of the contract shall be paid out to the insured adult (i.e. policyholder) and the insurance contract ceases to exist. In order to assess the value of the contract the number of units and their price at the end of the day when the insured child died and the value of the guaranteed capital on the day when the insured child died are used.

Article 6 – Premium, method of payment

6.1.

The premium is paid periodically (monthly, quarterly, semi-annually, annually), in a lump sum or via extra payment.

6.2.

The policyholder undertakes to pay the premium via bank transfer in the stipulated amount, by the stipulated method, in a due manner and in time indicating the correct payment symbols to the account designated by the insurance company. The premium may not be paid from an account of a financial institution outside the Czech Republic.

6.3.

The payment of the stipulated periodic or single premium shall be remitted with the specific symbol (SS) 1171171171, the variable symbol (VS) is the number of the insurance contract. In extra premium there is no specific symbol.

6.4.

If the single premium is not paid but an extra premium payment is remitted to the insurance contract, the insurance company will preferentially use this payment to cover the outstanding single premium. After the single premium has been paid, all other payments are considered extra premium.

6.5.

The periodic premium is due on the first day of the relevant insurance period, the single premium is due as of the insurance inception.

6.6.

The amount of periodic gross premium must be minimum of CZK 300 monthly, CZK 900 quarterly, CZK 1,800 semi-annually, CZK 3,600 annually. The amount of single gross premium must be minimum of CZK 30,000.

6.7.

The insurance company is entitled to offset the due amounts of premium against the insurance indemnity and also any other due financial claims which the insurance company has with the beneficiary.

6.8.

The contracting parties agreed that the insurance company may satisfy its financial claims on the premium, always in the order beginning with the oldest one, by premium payments in the order as they were credited to its account.

6.9.

The day of premium payment shall be considered the day when the entire due premium is credited to the insurance company's account.

6.10.

The insurance company is entitled, based on a written notification, to change the number of the bank account and/or the payment symbols for premium payments. The change shall be effective at the moment of delivery if the notification does not say that it shall be effective later. The change is effective permanently unless the notification states otherwise.

Article 7 – Insured event

7.1.

The insured event is defined separately for each insurance contract or rider concluded. The same event may generate several insured events concurrently.

7.2.

If an insured event occurs, the beneficiary is obliged to inform, without undue delay, the insurance company and to document the insured event occurrence and to submit to the insurance company all required documents necessary for the insurance indemnity payment. It mainly concerns the original of the insurance contract, in the case of death of the insured adult it is the death certificate or another document verifying this fact and document proving the cause of death of the insured (e.g. medical report of the attending physician, certificate of the Police of the CR, etc.). In case of full disability copy of records from the proceedings of the competent authority of the CR, the decision of the competent authority of the CR about admission of the disability of the insured adult, including the documents describing the reason of the disability. If these obligations are not fulfilled, the insurance company shall not provide the insurance indemnity, eventually it shall postpone its payment until the specified obligations are fulfilled.

7.3.

The beneficiary is obliged to submit the document proving the occurrence of the insured event in its original form or the authenticated copy thereof. The insurance company or the responsible employee of Komerční banka, a.s. (hereinafter referred to as the "KB") is also authorised to verify conformity of the copy with the original. If the relevant document is issued in a foreign language, the beneficiary is obliged to submit it together with its authenticated translation into the Czech language.

7.4.

Upon the insurance company's demand, the beneficiary shall ensure, at his/her own expense, the necessary medical documentation required by the insurance company.

7.5.

If there are any doubts, the beneficiary is obliged to prove to the insurance company the occurrence of the insured event.

Article 8 – Paying out the benefit from the insurance

The day of the any payment of the benefit from the insurance is day, in which this payment is deducted from the insurance company account or day, in which the insurance company hands over the payment to the postal licence holder for delivering it to the benefit receiver's address.

Article 9 – Exclusions, limitation and insurance company's refusal to provide indemnity

The person, whose right to indemnity shall arise due to death of the insured person, will not acquire this right if s/he causes the death of the insured by an intentional criminal act for which his/her guilt will be ascertained by the court.

Article 10 – Profit sharing

In this insurance the profit sharing is awarded only in the guaranteed interest fund. The profit sharing awarded by the insurance company is always included in the value of the guaranteed capital.

PART III – INVESTMENT INSURANCE

Article 11 – Insured risks and options

11.1.

The insurance contract always contains the life insurance of agreed sum where the bearer of the investment risk is the policyholder (hereinafter referred to as the "investment insurance"). This insurance is arranged without the fixed sum insured in the case of maturity.

11.2.

The investment insurance may be arranged in two options – protective and saving.

11.3.

In both options the coverage of the following risk is arranged:

- survival of the insured child up to the end of the insurance.

11.4.

Additional coverage of the following risks in case of protective option is arranged until the end of the fixed insurance period:

- death of the insured adult over life of the insured child;
- full disability of the insured adult;
- survival of the insured child to the end of the fixed insurance period after the death of the insured adult in the fixed insurance period.

11.5.

In the case of automatic extension of the insurance contract according to Article 25, from 00:00 o'clock on the day, following the end of the fixed insurance period, to 24:00 o'clock on the day, preceding the anniversary day in the year in which the insured child reaches the age of 26 calendar years, the coverage of following risk is arranged:

- death of the insured child.

11.6.

For the purposes of this insurance the investment risk means movement of the price of units in time and the value is reflected in the size of claims which may arise from this insurance. The value of units may rise or fall.

11.7.

The right to insurance indemnity in the amount defined in Article 18 arises to the beneficiary from the insurance against death or maturity without the fixed insured amount in the case of maturity at the moment of the insured event's occurrence.

Article 12 – Investment premium, premium allocation
12.1.

The policyholder defines the method, by which the premium is distributed into individual funds and/or the guaranteed interest fund, using the allocation ratio (investment strategy) determined in the insurance contract. The policyholder may change the allocation ratio.

12.2.

From each paid periodic or single investment premium or extra premium the insurance company creates the saving premium by decreasing the premium by the following administration costs:

Investment premium (CZK)	Costs of investment premium
up to 499 999	4.0 % of the investment premium
500 000 – 999 999	3.0 % of the investment premium
1 000 000 – 6 999 999	2.0 % of the investment premium
7 000 000 – 11 999 999	1.8 % of the investment premium
12 000 000 – 19 999 999	1.3 % of the investment premium
20 000 000 and more	1.0 % of the investment premium

12.3.

The extra premium fully paid from any full indemnity payment from this insurance contract has the administration costs in level of 0 %.

12.4.

The requested part from each saving premium is transferred to the guaranteed interest fund and/or converted into units of individual required funds. The number of shares for each individual fund is given by the quotient between the saving premium for the particular fund and the price of the share valid on the day of investment. The number of units is calculated to five decimal places.

12.5.

The date of investment is the first working day on which the value of the unit is determined by the fund administrator and which follows the day of determining the amount of premium. The date of transfer of the money to the guaranteed interest fund is the day following the day of the premium's determination. The date of the premium's determination is the day on which the payment was credited to the insurance company's account and it clearly identified the payment (i.e. credited it to the contract). The insurance company can clearly identify the payment if the payment is in the correct amount, with the correct variable symbol and there are no doubts about the purpose of the payment.

12.6.

The policyholder is responsible for correctly written identification symbols of each premium payment to avoid any doubts on the purpose of the payment. If these conditions are not fulfilled, the insurance company has the right not to invest the payment and to ask the policyholder to define the purpose of the payment in such way that it can be identified; eventually it may return such payment. The insurance company does not bear responsibility for wrong or late investment of the saving premium caused by non-determination of the payment.

Article 13 – Risk premium
13.1.

The risk premium is given by the percentage of the gross premium in accordance with the insurance option selected by the policyholder and with the age-at-entry of the insured adult. The percentage does not change during the period of insurance:

premium	periodic		single
age-at-entry	18 – 40	41 – 60	18 – 60
saving option	0 %	0 %	0 %
protective option	15 %	25 %	10 %

13.2.

For the protective option the fixed sum insured in the case of death of the insured adult is calculated from the amount of the risk premium based on the knowledge of the insured risk – especially the state of health, age(-at-entry) and sex of the insured adult and the period of insurance duration. The saving option is an option with zero fixed sum insured in the case of death of the insured adult.

13.3.

Owing to the change in the gross premium amount in the course of the insurance duration the amount of risk premium also changes in the same proportion. The change of risk premium will also cause the change of the fixed sum insured.

13.4.

If the insurance contract is terminated as a consequence of investment insurance surrender or according to Article 5.5., the insurance company has the right to the risk premium up to the day preceding the anniversary day in the month following the termination of the insurance contract.

13.5.

The insurance company has the right to offset the outstanding risk premium against the payment of extra withdrawal, surrender or against the payment of any other settlement of the policyholder.

Article 14 – Extra premium
14.1.

The policyholder may pay the extra premium any time and repeatedly in the course of insurance duration. The extra premium payment shall be remitted with the insurance contract number as the variable symbol and usually without the specific symbol, unless the insurance company decides in the actual case otherwise.

14.2.

The extra premium paid by the policyholder will be used by the insurance company as investment premium in order to increase the value of the contract via investing the saving premium into funds and/or via transferring the money into the guaranteed interest fund. If the extra premium payment mentions an allocation ratio different from the allocation ratio given in the contract, this specific allocation ratio will be used for this extra premium payment if the sum of given allocation portions is exactly 100 %. Otherwise the saving premium from the extra premium will be allocated according to the allocation ratio set for the insurance contract.

14.3.

The payment of the extra premium does not affect the duty to pay the periodic premium.

14.4.

The insurance company cannot use the paid extra premium to cover the debts on the periodic premium without the policyholder's order.

Article 15 – Funds and their management
15.1.

The funds differ in their structure of assets and thus also in the return on investment and in the risk.

15.2.

The price development of units is not guaranteed by the insurance company and is therefore an investment risk borne by the policyholder.

15.3.

The insurance company can add other funds any time. The insurance company will inform the policyholder about the parameters of these funds. The insurance company reserves the right to merge, split or close existing funds. The policyholder will be duly informed about such merger, separation or closure.

15.4.

The insurance company charges the costs related to the insurance and investment management by decreasing the number of units. These costs amount to 1 % p. a. of the number of units in funds and 1/12 of these costs is charged every month.

Article 16 – Change in the distribution of financial means**16.1.**

Transfers of financial means

16.1.1.

The policyholder is entitled to instruct the insurance company in writing to carry out the transfer of units between individual funds (disinvestment from the source fund and subsequent investment into the target fund). The transfer between funds cannot be carried out in the period when the saving premium is being allocated into units or when the units are being disinvested upon the request of the client.

16.1.2.

The date of disinvestment is the first working day on which the price of the unit is determined by the fund administrator and which follows the day of transfer. The date of investment is the first working day on which the price of the unit is determined by the fund administrator and which follows the second working day after the day of disinvestment.

16.1.3.

The amount withdrawn from the source fund must be at least CZK 5,000 and, at the same time, the balance of this fund after the transfer must amount to the minimum of CZK 5,000. If the balance of the source fund is after the transfer lower than CZK 5,000, the insurance company will transfer the entire balance of the source fund to the target fund based on such order.

16.2.

Transfer of units from funds to the guaranteed interest fund

16.2.1.

The policyholder is authorised to instruct the insurance company in writing to carry out the transfer of units from the fund into the guaranteed interest fund. This transfer cannot be carried out in the period when the saving premium is being transferred into units and when the units are being disinvested upon the request of the client.

16.2.2.

The date of disinvestment is the first working day on which the value of the units is determined by the fund administrator and which follows the day of transfer. The date of increase in the guaranteed capital is the following working day.

16.2.3.

The amount withdrawn from the source fund must be minimum CZK 5,000 and, at the same time, the balance of this fund after the transfer must amount to the minimum of CZK 5,000. If the balance of the source fund is after the transfer lower than CZK 5,000, the insurance company will transfer the entire balance of the source fund into the guaranteed interest fund based on such order.

16.3.

Transfer of financial means from the guaranteed interest fund into the funds

16.3.1.

The policyholder is authorised to instruct the insurance company in writing to carry out the transfer of financial means from the guaranteed interest fund to the fund or funds. This transfer cannot be carried out in the period when the saving premium is being transferred into units and when the units are being disinvested upon the request of the client. The insurance company has right to set the period when it is not possible to carry out transfers from the guaranteed interest fund.

16.3.2.

The date of decrease in the guaranteed capital is the working day following the day of policyholder's request. The date of investment is the first working day on which the value of the units is determined by the fund administrator and which follows the second working day after the date of decrease in the guaranteed capital.

16.3.3.

The amount withdrawn from the guaranteed capital must be minimum CZK 5,000 and, at the same time, the balance of the guaranteed capital after the transfer must amount to the minimum of CZK 5,000. If the balance of the guaranteed capital is after the transfer lower than CZK 5,000, the insurance company will transfer the entire amount of the guaranteed capital to the target fund based on such order.

16.4.

The date of transfer is the delivery date of the policyholder's requirement to the insurance company.

16.5.

The first transfer of financial means in the calendar year is free of charge. The cost of any following transfer in the same calendar year is 0.5 % of the transfer's value and is settled from the target placement.

Article 17 – Insured event

Insured event from the investment insurance is:

- survival of the insured child to the end of the insurance;

- death of the insured adult during the fixed insurance period;
- survival of the insured child to the end of the fixed insurance period after the death of the insured adult in the fixed insurance period;
- full disability of the insured adult during the fixed insurance period;
- death of the insured child after the expiry of the fixed insured period.

Article 18 – Insurance indemnity**18.1.**

Survival of the insured child to the end of insurance

18.1.1.

If the insured child survives to the end of insurance, the insurance company provides the insured child (as to the insured person) with an insurance indemnity in the amount of the contract value.

18.1.2.

For calculation of the contract value, the number of units on the day stipulated in the insurance contract as the day of insurance termination and their value on the date of disinvestment and the value of guaranteed capital on the day of maturity are used. The date of disinvestment is the first working day on which the value of units is determined by the fund administrator and which follows the day of insurance termination.

18.2.

Death of the insured adult at when living of the insured child in case of the protective insurance option

18.2.1.

If the insured adult dies during the fixed insurance period and life of the insured child, the insurance company will provide the insured child (as the insured person) with a single insurance indemnity in the amount of 10 % of the fixed sum insured in the case of death. If the periodic contract is stipulated, at the same time, the due gross premium will be reduced to the amount of the investment premium and there also will be waiver of premium in the amount of the (new) due premium, which will last from the day of death until the end of the fixed insurance period.

18.2.2.

If the insured adult and the insured child will die within the fixed insurance period in such way that it will not be possible to ascertain who died first, it is considered that the insured child died first. Then the insurance is terminated according to Article 5.5.

18.3.

Survival of the insured child up to the end of the fixed insurance period after death of the insured in case of the protective insurance option

18.3.1.

If the insured child survives to the end of the fixed insurance period after the insured adult died in the fixed insurance period, the insurance company shall provide a single insurance indemnity to the insured child (the insured person) in the amount of the fixed sum insured.

18.4.

Full disability of the insured adult in case of the periodic contract and protective insurance option

18.4.1.

If the periodic contract is stipulated and if the insured adult becomes fully disabled within the fixed insurance period during the life of the insured child, there shall also be an waiver of premium in the amount of the (new) due premium, which will last for the period of full disability of the insured adult, however, no later than until the end of the fixed insurance period.

18.4.2.

In order to assess in percentage the decrease in the capacity to perform a continuous gainful activity, it is necessary to identify the disability causing the long-term unfavourable state of health of the insured. The level of decrease in the continuous gainful activity is solely assessed by the insurance company based on the medical documentation of the insured person, opinion (documents) of the health facility assigned by the insurance company, decision of the competent Czech social security authority concerning the award of the disability and table of the insurance company specifying the level of decrease in the capacity to perform the gainful activity. At the same time it is understood that this incapacity must be a consequence of a disease or accident of the insured while fulfilling other conditions of the insurance contract. The table used for the assessment is available for visual reference in the insurance company's registered office.

18.4.3.

The day the full disability insurance event starts the day in which the disability decision of the relevant CR authority will become effective unless the parties stipulate otherwise.

18.4.4.

The right for the insurance indemnity from full disability arises in case the disability award becomes effective after one year waiting period expiry minimally. In case the disability is awarded due to the accident during

the contract duration, as defined in the Article 2, there is no one year waiting period.

18.4.5.

The waiver of premium concerns the premium for one year of the insurance duration. The waiver of premium is always extended to the next year if the policyholder proves that the insured person is fully disabled, or if the insurance company extends the validity of the medical report on the insured person's state of health. If the waiver of premium is not extended and the time limit for the premium payment has not expired, the policyholder is obliged to pay the premium from the nearest premium due day after the waiver of premium was terminated.

18.5.

Death of the insured child after the expiry of the fixed insurance period

18.5.1.

If the insured child dies within the period of insurance duration but after the fixed insurance period expires, the insurance company will provide the insurance indemnity in the amount of the value of the contract to the appointed person. If this person is not named in the insurance contract, the insurance company will provide the indemnity to persons named in the Insurance Contract Act.

18.5.2.

For calculation of the contract value, the number of units at the end of the day of the insured child's death and their value on the day of disinvestment and the value of guaranteed capital on the day of the death are used. The date of disinvestment is the first working day on which the value of the units is set by the fund administrator and which follows the day when the insurance company is duly informed about the insured event occurrence.

Article 19 – The methods of the insurance indemnity payments

19.1.

On the basis of a written application of the beneficiary the insurance indemnity payment may be carried out via any of the following methods:

- a) lump-sum indemnity payment;
- b) monthly life annuity payment (is paid until the death of the beneficiary);
- c) monthly payments of the life annuity guaranteed for a certain period (is paid until the death of the beneficiary, however, no less than for a guaranteed number of years);
- d) financial annuity paid in the amount stipulated in advance;
- e) financial annuity paid for the period stipulated in advance;
- f) combination of the lump-sum indemnity with payment of any from the above mentioned types of annuity.

The methods of insurance indemnity payments in accordance with paragraphs b), c), d) and e) may be used only in the case of insurance indemnity payment according article 18.1. or 18.5.

19.2.

After the insurance indemnity payment has been started it is not possible to change the agreed method of payment. If the method of payment is not given in the application, it is considered that the beneficiary requires a lump-sum indemnity payment.

19.3.

If the beneficiary chooses the payment in the form of annuity, the amount of paid annuity is determined from the entitlement to the lump sum indemnity payment according to the current actuarial rules effective on the day of indemnity payment (on the day of payment of the first annuity instalment). The annuity can only be paid always on the 20th calendar day in the month and the amount of monthly annuity payments must be at least CZK 1,000. If the entitlement to the insurance indemnity does not suffice to cover the selected annuity, it is necessary to choose another option of the payment; if it is not sufficient for any of the above mentioned annuities, the insurance company will provide a lump-sum indemnity payment.

Article 20 – Exclusions, limitation and insurance company's refusal to pay indemnity

20.1.

The insurance company is not obliged to provide insurance indemnity according to Articles 18.2., 18.3. and 18.4. if insured events specified in articles 18.1., 18.2. and 18.3 occur:

- a) as a consequence of the insured adult's suicide or intentional self-inflicted injury which occurs within two years from the commencement of the insurance;
- b) when the insured adult drove a motor vehicle and s/he did not possess the required driving licence;
- c) as a consequence or in relation to a civil war, warlike events, state of war, revolutionary events, uprising or international peace mission;

- d) during the period preceding the insurance policy's issuance by the insurance company, however, up to the first 2 months from the date of its conclusion maximum. This limitation does not apply if the insured event happens due to an accident which corresponds with the definition of this term in these insurance conditions and which the insured adult suffered no sooner than on the day of insurance commencement.

20.2.

The insurance company is authorised to lower the insurance indemnity according to articles 18.2. and 18.3. by up to one half:

- a) if the insured adult's death or full disability occurred in connection with his/her actions indicating that s/he committed a crime;
- b) if the insured adult's death or full disability occurred in connection with his/her action by which s/he caused serious bodily harm or death or otherwise grossly violated an interest of the society;
- c) if the insured adult's death or full disability occurred in direct connection with the insured adult's consumption of alcohol or other drugs or psychotropic substances;
- d) if it ascertains that the beneficiary provided about the insured event's occurrence other information than which resulted from the insurance company's investigation or if s/he concealed such information from the insurance company.

20.3.

The insurance company is not obliged to provide insurance indemnity according to articles 18.2., 18.3. and 18.4., if the cause of the insured adult's death or full disability is a fact which the insurance company ascertained during insurance event investigation and which could not be ascertained when entering into the insurance contract or preparing its amending owing to, intentionally or due to negligence, untrue answers of the insured adult to written questions, and if, based on the knowledge of this fact at the time of the insurance contract conclusion, the insurance company would only enter into the saving option of the insurance contract.

Article 21 – Extra withdrawal

21.1.

The policyholder may any time after the two-month duration of the investment insurance, and also repeatedly in the course of the insurance, request an extra withdrawal. The extra withdrawal cannot be carried out in the period when the saving premium is being allocated into the units or when the units are being disinvested upon the request of the client. Extra withdrawals cannot be carried out in the fixed insurance period after the date of death of the insured adult.

21.2.

The minimum amount of the extra withdrawal must be at least CZK 5,000. If the extra withdrawal would lower the value of the contract below CZK 5,000, the insurance company will consider the policyholder's requirement as a request for surrender.

21.3.

In the application for an extra withdrawal, it is necessary to state in what amount and from which funds and/or from the guaranteed interest fund the insurance company should deduct the extra withdrawal. Otherwise the amount will be disinvested in the proportion corresponding to the proportion of individual current funds' values and to the guaranteed interest fund's value.

21.4.

The policyholder's request becomes effective at the moment of its delivery to the insurance company.

21.5.

The extra withdrawal, which is being paid out, can be reduced by the tax in accordance with the Income Tax Act.

Article 22 – Surrender

22.1.

The policyholder may ask the insurance company to pay the surrender any time after the two-month period of investment insurance duration. The surrender cannot be paid out in the period when the saving premium is being allocated to units or when the units are being disinvested upon the request of the client. The surrender also cannot be paid out in the fixed insurance period after the date of death of the insured adult.

22.2.

The basis for surrender calculation is the value of the contract. For assessment of the contract value the number of units on the day of policyholder's request for surrender and their value on the day of disinvestment and value of guaranteed interest fund on the day of surrender request are used. The date of disinvestment is the first working day on which the value of the units is set by the fund administrator and which follows the day of surrender request delivery.

22.3.

The amount of surrender depends on the insurance contract duration and the surrender is assessed as a percentage of the value of the contract according to the following table:

Insurance duration	Surrender
1 st year	95 % of the value of the contract
2 nd year	96 % of the value of the contract
3 rd year	97 % of the value of the contract
4 th year	98 % of the value of the contract
5 th year	99 % of the value of the contract
6 th year and more	100 % of the value of the contract

22.4.

The surrender amount paid out can be deducted by tax.

Article 23 – Consequences of non-payment of the gross premium
23.1.

Due to non-payment of the gross premium on the due date the investment insurance is not suspended.

23.2.

If both these mentioned options arise at the same time:

- the value of the contract on the day of effectiveness amounts to at least CZK 5,000,
- the policyholder does not fully pay a certain amount of the periodic gross premium or the single gross premium by its due date or in the additional time limit set in the reminder,

the insurance is changed to the insurance in paid-up status without the duty to continue paying the periodic gross premium. The effective day is the day after the time limit, set by the insurance company in the reminder delivered to the policyholder, lapsed to no effect.

23.3.

At the moment, when the insurance is switched to the paid-up status according to article 23.2., the insurance company's entitlement to unpaid gross premium expires. All the following payments are considered to be an extra premium.

23.4.

At the moment, when the insurance is switched to the paid-up status according to article 23.2., the insurance company has the right to pay the debt on the risk premium from the value of the contract via disinvestment of the relevant number of units from individual fund and via reduction of the guaranteed capital in ratio to their individual values.

23.5.

The insurance will not be switched to the paid-up status but will be cancelled due to non-payment if the value of the contract is lower than CZK 5,000. The day of cancellation is the day following the lapse of the time limit set by the insurance company in the reminder. The policyholder becomes entitled to a settlement in the amount of the surrender according to Article 22.

Article 24 – Automatic changes in the investment insurance
24.1.

Change due to non-payment

24.1.1.

If the gross premium, which includes the risk premium, has not been paid within 2 months of its due date, then, by the lapse of this period, the protective option is automatically switched to the saving option. On this day, the risk premium is also changed to investment premium. The insurance company's entitlement to the written gross premium is not affected.

24.1.2.

If the policyholder pays the due gross premium in the additional period set by the insurance company in the above mentioned reminder, the insurance will be switched back to the protective option. The insurance company is then entitled to the risk premium for the entire insurance premium as if there had not been any change.

24.2.

Change due to death of the insured adult in the fixed insurance period

24.2.1.

If the insured adult dies in the fixed insurance period in case of protective option, a change of allocation ratio is automatically carried out in such manner that 100 % of the saving premium is transferred to the guaranteed interest fund on the day following the day of his/her death.

24.2.2.

If the insured adult dies in the fixed insurance period, it is not possible to neither execute any extra withdrawals nor request the surrender from the day of his/her death up to the end of the fixed insurance period.

24.3.

If the protective insurance option is stipulated, the insurance will be automatically switched to the saving option at 23:59 o'clock on the day of the fixed insurance period termination.

24.4.

If the protective insurance option is stipulated, then the insured adult's (i.e. policyholder's) withdrawal of consent to sensitive data processing results in an automatic switch of the insurance to its saving option. The switch will be carried out on the day when the insured adult withdrew his/her consent in writing, however, no sooner than on the day when the withdrawal of consent to sensitive data processing was delivered to the insurance company. In such case the insurance company has right to the periodic risk premium until the end of the insurance period or to the single risk premium until the nearest anniversary day – in accordance with the characteristics of the stipulated insurance.

Article 25 – Termination or extension of the insurance period in investment insurance
25.1.

Investment insurance, except for the cases specified in article 5.1., terminates by:

- expiry of the fixed insurance period if the insurance is not extended;
- expiry of 24:00 p.m. on the day preceding the anniversary day in the year when the insured child reaches the age of 26 calendar years;
- day when the policyholder's request for surrender is delivered to the insurance company.

25.2.

The investment insurance does not terminate upon expiry of the fixed insurance period if the policyholder or the insurance company informs the insurance company or the policyholder, at least 6 weeks before the insurance period's expiry that s/he/it has not interest in duration of this insurance and if the insurance is not terminated before the end of its insurance period due to any other reasons. In this case the investment insurance is automatically extended to the next year (new insurance period), even repeatedly. In the extended investment insurance the policyholder is not obliged to pay the premium.

PART IV. – ACCIDENT RIDERS
Article 26 – Insured risks and options
26.1.

It is possible to stipulate non-life insurance of the agreed sum against the death of the insured adult (hereinafter referred to as the "accident rider of the adult") and non-life insurance of the agreed sum against an accident of the insured child (hereinafter referred to as the "accident rider of the child").

26.2.

Accident riders insure the following risks:

- death due to an accident (of the insured adult);
- permanent consequences of the accident (of the insured adult or insured child);
- injury caused by the accident (of the insured adult or insured child).

26.3.

The accident riders apply to accidents of the insured adult and insured child which occur in the course of accident riders' duration anywhere in the world (i.e. even outside the territory of the CR) and during any activity, except for the activities excluded.

26.4.

The beginning of additionally stipulated accident riders must be:

- as of the due date of periodic premium;
- as of the anniversary day in the month in the case of a contract paid in a lump sum.

In the accident rider of the adult the beginning must be no later than one year before the end of the fixed insurance period and, at the same time, as of the anniversary day after the 64th birthday of the insured adult. In the accident rider of the child the beginning must be, at the same time, no later than one year before the end of the fixed insurance period.

26.5.

The sums insured for individual insured risks in the accident rider of the adult are fixed to each other. The basic sums insured for individual risks are:

death due to the accident	CZK 100,000
permanent consequences due to the accident	CZK 100,000
injury caused by the accident	CZK 10,000

26.6.

The policyholder has the right to stipulate the multiple of the rider of the adult allowed by the insurance company.

26.7.

The sums insured for individual insured risks in the accident rider of the child are put together in a fixed rate. The basic sums insured for individual risks in this insurance are:

permanent consequences due to the accident	CZK 50,000
injury caused by the accident	CZK 10,000

26.8.

The policyholder has the right to stipulate the multiple of the rider of the child allowed by the insurance company.

26.9.

No surrender payment is available under accident riders.

Article 27 – Termination of accident riders**27.1.**

The accident riders, except for the cases specified in article 5, are terminated by:

- notice of cancellation;
- refusal to provide indemnity;
- repudiation of the part of the insurance contract relating to the accident rider;
- agreement;
- withdrawal of consent to the sensitive data processing.

27.2.

Accident rider of the adult is also terminated by:

- insured event – death of the insured adult;
- insured event – full disability of the insured adult.

27.3.

If the saving option in periodic contract is stipulated, the accident rider of the child is also terminated upon death of the insured adult.

27.4.

If there is no cancellation of the accident riders earlier, the riders are terminated by expiry of the fixed insurance period. However adult accidental rider is terminated by expiry of the 23:59 p. m. of the day before the next anniversary date following 65th birthdays of the insured adult. This date is for the contract with periodically paid premium the last day of the insurance term of the accident rider.

27.5.

Notice of cancellation

27.5.1.

The insurance company and the policyholder may cancel any accident rider within 3 months of the day when the notification of the insured event from the relevant accident rider was delivered. The one-month time limit starts on the day of delivery of the notice and the relevant accident rider is terminated upon expiry of this period.

27.5.2.

The insurance company and the policyholder may cancel any accident rider any time at the end of the insurance period; this notice of cancellation of the relevant accident rider must be delivered at least 6 weeks before expiry of the insurance term.

27.6.

Repudiation of the part of the insurance contract relating to the accident riders

27.6.1.

If the inquiries of the other contracting party would concern solely the relevant accident rider, the policyholder/insurance company has the right to repudiate the part of the insurance contract relating to this rider under the same conditions as specified in article 5.4.1. or 5.4.2.

27.6.2.

If the relevant insured person, within the accident rider duration or during the settlement of the insured event from the relevant accident rider, does not enable or makes impossible in any way for the insurance company to ascertain or investigate his/her state of health, the insurance company is authorised to repudiate the part of the insurance contract relating to the relevant rider. The repudiation becomes effective on the day when the repudiation is delivered to the policyholder.

27.6.3.

Repudiation of the part of the insurance contract relating to the relevant accident rider cancels this part of the insurance contract from the beginning. In such case, the insurance company claims back the insurance indemnity already paid out, and if the insurance company repudiates the contract it is also entitled to reimbursement for costs related to inception and administration of the relevant accident rider. The

insurance company can offset these financial claims against the paid accident premium to return of which the policyholder becomes entitled at the moment of repudiation.

Article 28 – Premium for accident riders**28.1.**

The accident rider of the adult and the accident rider of the child are set by the insurance company according to the selected multiple of basic sums insured considering the insured risk, especially the state of health and expected duration of the rider. The accident premium of the adult and accident premium of the child are specified in the insurance contract.

28.2.

The insurance company is entitled to the accident premium of the adult and accident premium of the child for the period of accident riders' duration if not stipulated otherwise in these insurance conditions.

28.3.

If the insurance contract is terminated as a result of investment insurance surrender, when the accident riders are cancelled at the same time, the insurance company is entitled to accident premiums to the day preceding the anniversary day in the month following the insurance contract termination.

28.4.

The insurance company has right to offset the due accident premium of the adult and due accident premium of the child against the extra withdrawal, surrender payment or payment of any other claim to settlement of the policyholder.

28.5.

In case of the termination of insurance company's right for the accident premium which not happen at the same time as the termination of the insurance contract and if there is no contractual change at the same time, the right of the insurance company for the investment premium is increased in such way the due premium remains the same.

Article 29 – Insured event in accident riders**29.1.**

Insured event is:

- death of the insured adult due to the accident within one year from the accident;
- permanent consequences of the accident of the insured adult or the insured child;
- injury of the insured adult or the insured child caused by the accident.

29.2.

In case of the insured event, the beneficiary is obliged to submit to the insurance company, without undue delay, among others:

- a) in the case of death due to the accident: medical certificate that the death of the insured adult was caused by the accident, or, if the circumstances of the death are being investigated by police, the police certificate describing the insured event, eventually other documents proving the causality between the death and the accident;
- b) in the case of permanent consequences or injury due to the accident: insurance company's form containing medical confirmation of the accident and its impact on the scope of damage to health of the insured adult or the insured child. The costs related to completion of these forms are borne by the insured person.

Article 30 – Insurance indemnity in accident riders**30.1.**

The amount of insurance indemnity for permanent consequences of the accident and for an injury caused by the accident is assessed by the insurance company according to rules specified in articles 30.3. and 30.4. pursuant to the Classification of indemnities for damage due to an accident and Classification of indemnities for permanent consequences due to an accident issued by Komerční pojišťovna, a. s. (hereinafter referred to as the "Classification"). The insured adult/insured child has the right to inspect the Classification in the insurance company's registered office during the period of the accident rider duration. The Classification can be supplemented and amended depending on the development of medical science and practice.

30.2.

Insurance indemnity for death due to the accident

- a) If the insured adult dies in consequence of the accident, the insurance company shall pay to the insured child (as to the insured person) a single indemnity in the amount of the agreed sum in the case of death due to the accident.

- b) If the insured adult dies in consequence of the accident and the insurance company has already provided the indemnity for permanent consequences of this accident, it will pay out only the possible difference between the sum insured in the case of death and the sum already provided.

30.3.

Insurance indemnity for permanent consequences of the accident

- a) If the accident causes permanent consequences to the insured adult or to the insured child, the insurance company shall provide to the relevant insured person a single insurance indemnity in the amount of a percentage from the sum insured which, according to the Classification, corresponds to the extent of permanent consequences after their stabilisation. If they have not stabilised within three years from the accident, then according to the percentage share corresponding to their state at the end of this period. If the Classification defines a percentage range, the indemnity is assessed in such way that, within the given range, it corresponds to the character and extent of damage caused by the accident. The amount of indemnity is set by the insurance company on the basis of a medical report on the result of examination of the relevant insured person by an assessment physician of the insurance company.
- b) If one accident causes to the insured person several permanent consequences, the total permanent consequences assessed by the sum of percentage shares for individual consequences, however, up to the maximum limit of 100 % of the total share.
- c) If the individual consequences after one or several accidents relate to the same limb, organ or their part, the insurance company assesses them as a whole and, at the maximum, by the percentage share specified in the Classification for anatomic or functional loss of the relevant limb, organ or their part.
- d) If the permanent consequences of the accident relate to a part of body or to an organ which have already been damaged before the accident, the insurance company reduces its indemnity by such percentage share which corresponds to the extent of the preceding damage according to the Classification.

30.4.

Insurance indemnity for injury caused by the accident

- a) If the insured adult or the insured child suffers an accident, the insurance company will pay out to the competent insured person a single indemnity in the amount of a percentage share from the insured amount assessed by the Classification for relevant injuries.
- b) If the relevant insured person suffers several injuries, the amount of indemnity is assessed by the sum of percentage shares for individual injuries, however, up to the maximum limit of 100 % of the sum insured.

30.5.

If, prior to the insurance indemnity payment for permanent consequences of the accident or for damage due to the accident, the insured person dies, however not because of the consequences of this accident, his/her entitlement to the insurance indemnity becomes a part of the decedent's estate.

30.6.

If the insured adult dies or becomes fully disabled during the fixed insurance period and has the protective option stipulated and the insurance indemnity shall be pay out according to article 18.2., 18.3. or 18.4., the waiver of premium of the accident premium of the child in the already stipulated accident rider of the child is applied. The waiver of premium lasts for the same period as the waiver of premium in the investment insurance, as defined in articles 18.2., 18.3. and 18.4.

Article 31 – Exclusions, limitations and refusal to pay indemnity in accident riders

31.1.

The insurance company does not pay indemnity for events occurred during activities such as:

- a) the insured adult or the insured child actively participating in motor vehicle races and competitions (or in the related preparation) as a driver or co-driver and riding animals;
- b) being a pyrotechnist, professional diver, stuntman or beast of prey tamer;
- c) high-risk activities, for example: aqualung diving, flying by gliders, soaring machines, ultra light aircrafts, hang-gliding, paragliding, parasailing, ballooning, parachuting and parasailing, bungee jumping, ski jumping, ski flying, ski acrobatics, bobsleighting, ski bobbing and sledging, ski alpinism, skiing and snowboarding and ski bobbing out of the marked tracks, or on the marked tracks out of the

indicated service hours, riding snow and water scooters, snow rafting, rafting and canoeing;

- d) mountain-climbing, including alpinism, i.e. climbing on terrain of 1 UIAA difficulty (hands needed to maintain balance) and higher, including ascents on tracks secured in advance, hiking on glacial terrain out of the permitted tracks; in places more than 3,000 m above the sea level and moving on terrain of lower difficulty level;
- e) expeditions to places with extreme climate or natural conditions, to remote and vast, unpopulated areas (deserts, arctic areas, etc.);
- f) professional sports activities and preparing for them – professional sportsman is a sportsman who receives his income – employment or self-employment earnings – from performing his sports activities;
- g) participating for organised sports competitions and preparing for them, except for chess competitions;
- h) driving motor vehicles by relevant insured person who did not possess a driving licence at the time of insured event's occurrence;
- i) events resulted from or related to terrorist attacks (i.e. violent actions with political, social, religious or ideological motivation);
- j) events resulted from or related to civil war, warlike events, state of war, revolutionary events, uprising or international peace mission.

31.2.

Insured event is not or are not:

- a) development and deterioration of a hernia and tumours of all types and origins, varicose ulcers, diabetic gangrene, development and deterioration of aseptic inflammation of the tendon sheath, inflammation of ligaments of muscles, synovitis, epicondylitis, prolapse of a spinal disc and related problems, including vertebrogenic algic syndroms, even if the listed problems are triggered by an accident, acute vascular attack and retinal detachment;
- b) mental disorders, even if as a consequence of the accident;
- c) breakdowns, epileptic fits or other seizures and spasms affecting the whole body, even if they are result of the accident;
- d) infectious diseases, even if transmitted due to the accident;
- e) accidents at work and job-related illness if not bearing characteristics of accident as defined in article 2 of these insurance conditions;
- f) consequences of diagnostic, medical and preventive procedures not carried out to heal the accident's consequences;
- g) if the illness deteriorates or becomes obvious as a result of the accident;
- h) heart attacks or brain strokes;
- i) suicide, attempted suicide and intentional self-inflicted injury.

31.3.

The insurance company has the right to reduce the indemnity from the relevant accident rider by up to one half:

- a) if the accident of the relevant insured person occurred in connection with actions indicating that the insured person committed a crime;
- b) if the accident of the relevant insured person occurred in connection with actions by which s/he caused serious bodily damage or death of another person or if s/he grossly violated public interest in any other way;
- c) if the accident of the relevant insured person occurred in direct connection with consumption of alcohol or other narcotic or psychotropic substances by the relevant insured person;
- d) if, upon a request of a police officer, the relevant insured person refuses to undergo medical examination or to take the breath test according to the special regulation aimed at detecting whether s/he is under influence of alcohol or any other drug or not;
- e) if ascertained that the beneficiary provided about the insured event's occurrence different information than which resulted from the insurance company's investigation, or if s/he concealed such information from the insurance company.

31.4.

The insurance company may refuse to provide indemnity from the relevant accident rider if it was caused by the fact which it ascertained after the occurrence of the insured event and which it could not ascertain when negotiating the accident rider or its amendment owing to intentionally or due to negligence untrue and incomplete answers to written questions provided by the insured adult/insured child, and, if aware of these fact at the time of accident rider conclusion, it would not enter into the relevant accident rider or concluded it under different conditions. The day of delivery of the notification of refusal to pay insurance indemnity from the particular accident rider the riders are terminated and the insurance company is entitled to the relevant accident premium up to the day preceding the anniversary day in the month following the day of the relevant accident rider termination.

31.5.

In the case of concurrence of several agreed sum insurance policies/riders against accident entered into by the insurance company in order to cover the insured risk of the same insured person (adult or child), the insurance company has the right to lower the insurance indemnity from the concrete accident rider in such way that the total indemnity from all concurrent accident insurance policies/riders, in consequence of the same reason (insured event), would amount to the maximum equivalent of tenfold amount (in case of insured adult) or triple amount (in case of the insured child) of the basic sums insured in this insurance. In the case when the insurance indemnity paid from other concurrent accident insurance policies/riders due to the same reason (insured event) reaches or exceeds the tenfold amount (in case of the insured adult) or triple amount (in case of the insured child) of all basic sums insured in this insurance, the insurance company has the right to refuse paying the insurance indemnity from this actual accident rider.

Article 32 – Consequences of non-payment of accident riders**32.1.**

If the accident premium has not been paid within 2 months from its due day, the relevant accident rider is suspended. The policyholder is not obliged to pay the relevant accident premium for the period of suspension and s/he is not entitled to indemnity from events occurred in the period of suspension of the relevant accident rider and which would otherwise be insured events.

32.2.

If the policyholder pays the due accident premium in the additional time limit, set by the insurance company in the reminder, the suspended accident rider is restored to its original state upon the payment. The insurance company is then entitled to the relevant accident premium for the entire insurance period as if there was no suspension of the relevant accident rider.

32.3.

If the policyholder does not pay the premium in the additional time limit set by the insurance company in the reminder delivered to the policyholder, the accident rider is terminated on the day following the lapse of this time limit.

32.4.

The insurance company has the right to pay the due accident premium on the contract via disinvestment of the relevant number of units from individual funds and by reduction of the guaranteed capital in proportion to their individual value on the day when the relevant accident rider was suspended.

PART V. – HOSPITALISATION RIDER**Article 33 – Insured risks and options****33.1.**

It is possible to stipulate the non-life insurance of the agreed sum against hospitalisation of the insured adult (hereinafter referred to as the "hospitalisation rider of the adult") and non-life insurance of the agreed sum against hospitalisation of the insured child (hereinafter referred to as the "hospitalisation rider of the child").

33.2.

In these hospitalisation riders is stipulated risk of a necessary stay, from the medical point of view, of the insured adult or of the insured child in an inpatient ward (in hospital, women – in hospital or in maternity hospital) due to an illness or accident or in connection with a child delivery with the insurance indemnity in the form of an agreed daily amount for each night spent, with minimally two days duration.

33.3.

The hospitalisation riders apply to inpatient treatment of the insured adult or the insured child in inpatient wards which occurs in the course of hospitalisation rider duration in the territory of the CR, EU countries or countries of the European Economic Area and which happens due to any reason, except for the reasons excluded.

33.4.

The additionally stipulated hospitalisation riders must commence:

- on the due date of the periodically paid premium;
- on the anniversary day in the month in the case of contract paid in a lump sum.

In the hospitalisation rider of the adult the beginning must be no later than one year before the end of the fixed insurance period and, at the same time, as of the anniversary day after the 64th birthday of the insured adult. In the hospitalisation rider of the child the beginning must be, at the same time, no later than one year before the end of the fixed insurance period.

33.5.

The sum insured in the hospitalisation rider of the adult is paid in the amount of CZK 300 for each night of the insured adult's stay in the inpatient ward. The sum insured in the hospitalisation rider of the child is paid in the amount of CZK 300 for each night of the insured child's stay in the inpatient ward.

33.6.

No surrender payment is available under hospitalisation riders.

Article 34 – Termination of hospitalisation riders**34.1.**

The hospitalisation riders, except for the cases specified in article 5, are terminated by

- notice of cancellation;
- refusal to provide indemnity;
- repudiation of the part of the insurance contract relating to the hospitalisation rider;
- agreement;
- withdrawal of consent to sensitive data processing.

34.2.

Hospitalisation rider of the adult is also terminated by:

- insured event – death of the insured adult;
- insured event – full disability of the insured adult.

34.3.

If the saving option in periodic contract is stipulated, the hospitalisation rider of the child is also terminated by the death of the insured adult.

34.4.

If there is no cancellation of the hospitalisation riders earlier, the riders are terminated by expiry of the fixed insurance period. However adult hospitalisation rider is terminated by expiry of the 23:59 p. m. of the day before the next anniversary date following 65th birthdays of the insured adult. This date is for the contract with periodically paid premium the last day of the insurance term of the hospitalisation rider.

34.5.

Notice of cancellation

34.5.1.

The insurance company and the policyholder may cancel any hospitalisation rider within 3 months of the day when the notification of the insured event's occurrence from the relevant hospitalisation rider is delivered. The one-month notice period starts on the day of delivery of the notice and the relevant hospitalisation riders are terminated upon expiry of this period.

34.5.2.

The insurance company and the policyholder may cancel any hospitalisation rider any time at the end of the insurance term; this notice of the relevant hospitalisation rider must be delivered at least 6 weeks before expiry of the insurance term.

34.6.

Repudiation of the part of the insurance contract relating to the hospitalisation riders

34.6.1.

If the inquiries of the other contracting party would concern solely the relevant hospitalisation rider, the policyholder/insurance company has the right to repudiate the part of the insurance contract relating to this rider under the same conditions as specified in article 5.4.1. or 5.4.2.

34.6.2.

If the relevant insured person, within the hospitalisation rider duration or during settlement of the insured event from the relevant hospitalisation rider, does not enable, refuses or make impossible in any way for the insurance company ascertain or investigate his/her state of health, the insurance company is authorised to repudiate the part of the insurance contract relating to the relevant hospitalisation rider. The repudiation becomes effective on the day when it is delivered to the policyholder.

34.6.3.

Repudiation of the part of the contract relating to the relevant hospitalisation rider cancels this part of the insurance contract from the beginning. In such case, the insurance company can claim back the insurance indemnity already paid out and, if the insurance company repudiates the contract, it is also entitled to reimbursement for costs related to inception and administration of the relevant hospitalisation rider. The insurance company has the right to offset these financial claims against the paid hospitalisation premium to return of which the policyholder becomes entitled at the moment of repudiation.

Article 35 – Premium in hospitalisation riders**35.1.**

The premium for hospitalisation of the adult and the premium for hospitalisation of the child is assessed by the insurance company with

regard to the insured risk, especially the state of health and the expected duration of the rider. The amounts of the premium for hospitalisation of the adult and of the premium for hospitalisation of the child are specified in the insurance contract.

35.2.

The insurance company is entitled to the premium for hospitalisation for the period of hospitalisation rider duration, if not stipulated otherwise in these insurance conditions.

35.3.

If the insurance contract is terminated as a result of investment insurance surrender when the hospitalisation riders are cancelled at the same time, the insurance company is entitled to premiums for hospitalisation to the day preceding the anniversary day in the month following the insurance contract termination.

35.4.

The insurance company has the right to offset the due hospitalisation premiums against the extra withdrawal, surrender payment or against the payment of any other policyholder's claim to settlement.

35.5.

In case of the termination of insurance company's right for the hospitalisation premium which not happen at the same time as the termination of the insurance contract and if there is no contractual change at the same time, the right of the insurance company for the investment premium is increased in such way the due premium remains the same.

Article 36 – Insured events in hospitalisation riders

36.1.

The insured event is, from the medical point of view, a necessary stay of the insured adult or of the insured child in an inpatient ward (in hospital, women – in hospital or in maternity hospital) due to an illness or accident or in connection with a child delivery.

36.2.

Hospitalisation of the insured adult or of the insured child must arise in the period of the accident rider duration, however, no sooner than after the waiting period expires. If the relevant insured person was hospitalised due to the accident, as specified in Article 2, the waiting period shall not be applied.

36.3.

The waiting period in hospitalisation riders is 3 months from the commencement of the rider. If the hospitalisation relates to pregnancy or child delivery, the waiting period is 8 months from the commencement of the rider. The waiting period is 9 months from the commencement of the rider in case of hospitalisation due to a dental treatment, preparation of dentures and gnathic ortho-surgery.

36.4.

The minimum length of hospitalisation must be at least 2 nights. The maximum number of nights for which the insurance indemnity is paid out is 365 nights for the entire period of the insurance contract duration.

36.5.

In the case of an insured event, the beneficiary is obliged to submit, without undue delay, to the insurance company, among others, also the insurance company's form containing the medical confirmation of the hospitalisation of the insured adult or of the insured child.

Article 37 – Insurance indemnity in hospitalisation riders

37.1.

The insurance indemnity for the hospitalisation rider is the product of the agreed daily amount in the relevant hospitalisation rider and of the number of nights spent in the inpatient ward.

37.2.

The insurance indemnity for an insured event from the hospitalisation rider is paid out to the relevant insured person in a lump sum. The entitlement of the relevant insured person to the insurance indemnity does not expiry by his/her death.

Article 38 – Exclusions, limitations and refusal to pay indemnity in hospitalisation riders

38.1.

The insurance company does not provide indemnity in the following cases:

- staying in medical institutions in order to treat alcoholism, toxicomania and gambling addiction;
- hospitalisation in psychiatric hospitals and other medical institutions as a consequence of psychiatric or psychological diagnosis;
- if the insured person suffered the accident in connection with his professional sports activities;

- if the insured person attempted to commit suicide or intentionally injured him/herself;
- hospitalisation in medical institutions excluded by the insurance company from the insurance coverage if the insured event occurred after the insurance company informed the insured person about the exclusion;
- stay at sanatoriums, health resorts and rehabilitation centres;
- hospitalisation of the insured person in long-stay hospitals, in hospitals for curing tuberculosis and respiratory diseases, in other specialised hospitals and also staying of the insured person in residential care homes, in sickbays of military units and hospitalisation of the insured person while s/he serves a term of imprisonment;
- hospitalisation solely related to the need for nursing and caretaking service;
- hospitalisation due to cosmetic operations unnecessary from the medical point of view;
- hospitalisation of the insured person solely related to diagnostic activities or to dialysis;
- using diagnostic and medical methods which are not scientifically acknowledged in general;
- hospitalisation resulting from the fact that the insured person exposed him/herself intentionally to danger;
- if any preparations were tested on the insured person prior their approval, registration and permission for production and distribution (pharmaceuticals etc.);
- if the insured person is hospitalized in consequence of driving a motor vehicle without a driving licence;
- hospitalisation of the relevant insured person resulting from or in connection with terrorist attacks (i.e. violent actions with political, social, religious or ideological motivation);
- hospitalisation of the relevant insured person resulting from or occurred in connection with a civil war, warlike events, state of war, revolutionary events, uprising or international peace mission.

38.2.

The insurance company has right the reduce the indemnity from the relevant accident rider by up to one half:

- if the accident or illness of the relevant insured person and the subsequent hospitalisation occurred in connection with actions indicating that the insured committed a crime;
- if the accident or illness of the relevant insured person and the subsequent hospitalisation occurred in connection with actions by which s/he caused a serious bodily injury or death of another person or if s/he grossly violated public interests in any other way;
- if the accident or illness and the subsequent hospitalisation of the relevant insured person occurred in connection with the insured person's consumption of alcohol or other narcotic or psychotropic substances;
- if ascertained that the beneficiary provided on the insured event occurrence different information than which resulted from the insurance company's investigation, or if s/he concealed such information the insurance company.

38.3.

The insurance company may refuse to provide indemnity from the relevant hospitalisation rider if it was caused by a fact which it ascertained after the occurrence of the insured event and which it could not ascertain when negotiating the hospitalisation rider or its amendment owing to intentionally or due to negligence untrue and incomplete answers to written questions provided by the insured adult/insured child, and, if aware of this fact at the time of hospitalisation rider conclusion, it would not enter into the relevant hospitalisation rider or concluded it under different conditions. The day of delivery of the notification of refusal to pay the insurance indemnity from the particular hospitalisation rider the rider is terminated and the insurance company is entitled to the relevant hospitalisation premium to the day preceding the anniversary day in the month following the day of the relevant hospitalisation rider termination.

Article 39 – Consequences of non-payment of hospitalisation riders

39.1.

If the hospitalisation premium has not been paid within 2 months from its due day, the relevant hospitalisation rider is suspended. The policyholder is not obliged to pay the relevant hospitalisation premium for the period of suspension and s/he is not entitled to the indemnity from events occurred in the period of suspension of the relevant hospitalisation rider and which would otherwise be insured events.

39.2.

If the policyholder pays the due hospitalisation premium in the additional time limit set by the insurance company in the reminder, the suspended hospitalisation rider will be restored to its original status. The insurance company is then entitled to the relevant hospitalisation premium for the entire insurance period as if there was no suspension of the relevant hospitalisation rider.

39.3.

If the policyholder does not pay the hospitalisation premium in the additional time limit set by the insurance company in the reminder delivered to the policyholder, the relevant hospitalisation insurance is terminated on the day following the day when this time limit lapses.

39.4.

The insurance company has right to pay the due premium for hospitalisation from the amount of the contract via disinvestment of the relevant number of units and via reduction of the guaranteed capital in proportion to their individual values on the day when the relevant hospitalisation rider was suspended.

PART VI – ASSISTANCE SERVICES**Article 40 – Definitions and right to use assistance services****40.1.**

The following definitions concerning the assistance services relate to this part of the insurance conditions:

- a) **assistance event** – an event giving the right to use assistance services
- b) **beneficiary** – the statutory representative of the child living with him/her in common household and/or insured adult
- c) **provider** – the legal company which provides the assistance services in the name and on behalf of the insurance company
- d) **organises** – execution of all necessary tasks by the provider in order to provide the stipulated assistance services. All costs of the provision of such services are borne by the beneficiary.
- e) **shall organise and pay for** – execution of all necessary tasks by the provider in order to provide the stipulated assistance services; these assistance services are carried out by the provider at its own expense, via its own network of service suppliers up to the set limit.

40.2.

The beneficiary has the right to use the assistance services only if at the moment of assistance event the protective insurance option is stipulated, as defined in article 11.2. of these insurance conditions.

40.3.

The real scope of assistance services and indemnity limits are specified in articles 42 to 45.

Article 41 – Beneficiary's duties in case of the insured event**41.1.**

The beneficiary, who is entitled to an assistance service, will be provided with this assistance service on the basis of a phone request to the provider.

41.2.

When connected to the telephone centre, the beneficiary is obliged to provide the provider's employees with the following information:

- a) name, surname and date of birth of the insured adult and insured child;
- b) insurance contract number;
- c) contact phone number of the beneficiary;
- d) brief description of the required assistance service;
- e) other information which is requested by the provider's employee if related to the assistance event.

If the beneficiary does not meet this obligation, his/her entitlement to the assistance service provision expires.

Article 42 – Care for health of children and adults line**42.1.**

The service is provided in the form of phone consultancy within the particular area of interest with the middle medical staff or a doctor.

42.2.

The provided information ranges from general information to consultancy of an actual case. All explanations mentioned and granted in the Article 42 are purely descriptive and do not contain any practical, time or individual elements from which the inquirer could deduce any recommendation for alternative self-medication or treatment.

42.3.

The areas of interest are: allergies, healthy regime, stress and its prevention, addictive substances, dermatology, travel medicine, diseases and syndromes, medicaments and medical apparatus and

equipment, medical institutions, alternative medicine, sexuality, pregnancy and maternity, methods of examination and procedures of modern medicine, care for a small child, healthy old age, disablement (handicap), procedures of pre-medical first aid, legal counselling, stomatology, etc. The list of areas of interest is not exhaustive; beneficiary's inquiry may concern any other field of health and medical treatment.

42.4.

Information structure

42.4.1.

General encyclopaedic information:

It mainly considers definitions of notions and explanation of special expressions. The inquirer is provided with information about anatomical and pathophysiological characteristics of the illness, situation in current scientific findings concerning the particular illness, its origin and existing medical methods, etiology and origins of diseases, prevalence of diseases in population, trends in development of practical medicine in the particular area, overviews, tables, sources, development monitoring, other factors. The character of this information is only generally theoretical and descriptive.

42.4.2.

Prevention and prophylaxis:

Provision of theoretical and practical information relating to prevention and prophylaxis of diseases and states, general reporting and current monitoring, existing offers of aids and accessories for the ill, commonly sold agents, description of over-the-counter drugs (herb teas etc.), and risks of self-treatment.

42.4.3.

Model situation and standard procedures of its solution:

In the case of an inquiry about solution of a model situation or a range of problems without the concrete connection to the current situation, the inquirer will be offered a complex solution on the theoretical level and recommended and mediated other information sources.

42.4.4.

Concrete problem – help with orientation in the situation:

In the case of an inquiry about a concrete current problem, the beneficiary will be offered concrete steps leading to a solution. The proposal is supplemented with the classification of priorities and time specification of relevant steps with regard to urgency of the situation.

42.4.5.

Practical counselling:

The beneficiary, if interested, will be provided with a summary of addresses and contacts, to institutions, national prevention education programmes, civic associations, specialised advisory centres, courses for the public, websites, available literature, special manifestations, conferences, specialised fairs and thematic exhibitions, helplines – in the territory of the whole European Union.

42.4.6.

Legal aspects of the problem:

The information provided to the beneficiary may be, if there is an interest, supplemented with a basic, eventually extended analysis of the beneficiary's problems made by the lawyer of the assistance company. The lawyer will provide the beneficiary with general information, especially concerning the legislation governing the health, rights and duties of patients in relation to medical professionals and to medical institutions, information about the conditions of using medical treatment based on the public health insurance in the EU member states.

Article 43 – Mediation of household assistance**43.1.**

This service is provided in the form of a phone call with an operator who, according to beneficiary's requirements, will arrange the selected service with the checked entity in the territory of the Czech Republic. Payment for the selected services will be made by the beneficiary directly to the service supplier based on the price list with which s/he was acquainted in advance. The service providers and the quality of their services are checked in advance.

43.2.

List of mediated services:

- a) child minding of a child up to the age of 15 years;
- b) accompaniment of children up to the age of 15 years to and from the school;
- c) pedagogical supervision of underage children;
- d) nursing of infirm and senior persons;
- e) ensuring of running of the household (domestic help);
- f) pet sitting or temporary placement of the pet in a pound;
- g) care for plants and garden;
- h) collecting the post.

Article 44 – Legal assistance line**44.1.**

The service is provided in the form of a phone consultancy within the relevant area of interest with the lawyer of the assistance company who, if there is an interest, will mediate legal assistance for the beneficiary in the actual case.

44.2.

The provided information range from general information to consultancy of an actual case.

44.3.

The areas of interest are: child birth (legal aspects), study (fiscal and financial aspects, rights and duties of a student and of student's parent), labour law (employee's rights, sickness insurance, wage compensation, maternity and parental leave, wage aspects, labour offices), rights and entitlements of patients, public health insurance in the European Union and conditions of using medical treatment based on this insurance in any other than the EU member state, accident and its legal aspects (damage liability, entitlement to loss compensation towards the responsible person).

Article 45 – Assistance services in case of hospitalisation**45.1.**

In the case of hospitalisation of the legal representative of the insured child, who lives in the common household, which means a stay of this legal representative under constant professional supervision of qualified doctors in a health institution for a reason which is – from the medical point of view – necessary with regard to his/her injury or illness or in connection with the birth of the next child and which lasts at least for 24 hours, or includes 1 night, the provider will pay for the costs spent by the beneficiary on babysitting up to the limit of CZK 5,000. After the previous consent of the provider, this limit of CZK 5,000 may be used for the payment of costs related to the transport of the babysitting person designated by beneficiary. The limit of CZK 5,000 applies to the calendar year.

45.2.

If not obvious from the information given by the beneficiary when applying for babysitting that the hospitalisation will last at least 24 hours, the costs shall be covered by the beneficiary at his/her own expense. If s/he subsequently proves that the hospitalisation met the above mentioned conditions, the provider will pay to the beneficiary for this service based on the submitted invoice (proof of payment).

PART VII – CLOSING PROVISIONS**Article 46 – Processing of insured person's data****46.1.**

Processing of personal data in relation to the insurance contract

46.1.1.

Personal data of the insured person / policyholder in terms of Section 4 (a) of Act No. 101/2000 Coll., Personal Data Protection Act (hereinafter referred to as the "Personal data Protection Act"), (except for the sensitive ones), provided by the insured person / policyholder to the insurance company in relation to entering into the insurance contract or which the insurance company obtained in any other legal way, eventually created by processing the data obtained in this way, will be processed by the insurance company or by an administrator (Bank) entrusted by the insurance company in compliance with the Personal Data Protection Act in order to use this personal data within the subject-matter of the insurer's business, i.e. for processes directly or indirectly related to insurance or reinsurance activities. In terms of Section 27 of the Personal Data Protection Act the insurance company is entitled to transfer the personal data of the insured person / policyholder to the necessary extent to other states for the purposes of reinsurance. The insurance company will process the personal data of the insured person / policyholder in the given way and for the period necessary to ensure all rights and duties resulting from the insurance obligation relationship.

46.1.2.

The insurance company is entitled to process the personal data of the insured / policyholder to the given extent and for the given purpose, even without the express consent of these persons.

46.2.

Consent to processing personal data in connection with the insurance contract

46.2.1.

Upon concluding the protective option of the insurance and/or accident riders and/or hospitalisation riders the insured/policyholder grants consent to obtain information about his/her state of health through the contractual physicians of the insurance company in compliance with

Section 67b (10) of Act No. 20/1966 Coll., Care for the Health of People Act, as amended, and gives the right to all interviewed doctors, health-care institutions, health-care facilities and health insurance companies to disclose this data, even after death, to the insurance company.

46.2.2.

At the same time, the insured / policyholder grants to the insurance company his/her explicit consent to process the personal data concerning his/her state of health (sensitive personal data in terms of Section 4 (b) of the Personal Data Protection Act) which was given to the insurance company by him/her in connection with conclusion of the protective insurance option and/or accident riders and /or hospitalisation riders, or which the insurance company obtained in the above mentioned way, eventually which the insurance company created by processing the data obtained in such way. This sensitive personal data will be processed by the insurance company or by an entrusted administrator for the purposes of using this data within the subject-matter of the insurance company's business, i.e. for the processes directly or indirectly related to the insurance or reinsurance activities.

46.2.3.

The granting of the consent to process the sensitive data in the scope specified in Article 46.2.2 is a condition for entering into the protective insurance option and/or accident rider and/or hospitalisation rider. However, the insured person / policyholder is entitled to withdraw the granted consent at any time. The withdrawal of this consent can solely be made in writing, sent as a registered letter to the company address of the insurance company. Withdrawal of this consent causes the automatic change of the saving insurance option and termination of accident riders and hospitalisation riders as of the day on which the insured person / policyholder withdrew his/her consent in writing, however, no sooner than on the day of delivery of this withdrawal to the insurance company. In this case, the insurance company is entitled to the periodic premium until the end of the insurance period or single premium to the nearest anniversary day – according to the character of concluded insurance.

46.3.

Consent to disclosure of data within the group

46.3.1.

The insured / policyholder further agrees that his/her personal data – if s/he is a natural person, eventually the data about it – if it is a legal person, will be processed by the insurance company and by any other administrator, mutually shared between them for the purpose of improving the quality of care for the insured / policyholder, performance of Marketing activities, informing of other Administrators about the solvency and credibility of the insured / policyholder and for analysis of this data. The insured/policyholder agrees that the Administrator will process his/her personal data – if s/he is a natural person, eventually the data about it – if it is a legal person, for the purpose and to the extent mentioned above for the period from granting this consent until the expiry of 4 years from terminating the last contractual or any other legal relationship with any of the Administrators.

46.3.2.

Consent of the insured/policyholder, according to Article 46.3.1., of these insurance conditions, is effective only in relation to the insured person / policyholder, who enters into the contractual relationship or addendum to an existing contractual relationship with the insurance company, an integral part of which these insurance conditions are, no sooner than on the day of effectiveness of these insurance conditions. For the insured/policyholder who refused to sign or withdrew a similar consent earlier, the legal force of his/her consent granted, refused or withdrawn remains unaffected by the change in the insurance conditions.

46.3.3.

This consent to data processing granted especially in compliance with current Acts No. 363/1999 Coll., Insurance Act, No. 513/1991 Coll., Labour Code, No. 480/2004 Coll., Certain Information Society Services Act, and No. 101/2000 Coll., Personal Data Protection Act, is voluntary and the insured person / policyholder is entitled to withdraw it any time and in relation to any of the Administrators. Withdrawal of the consent must be submitted to the insurance company in writing. Provision of personal data is voluntary if the generally binding legal regulation does not stipulate otherwise.

46.4.

The insured person / policyholder is obliged to notify, without undue delay, the insurance company of any possible change in the personal data which are being processed.

46.5.

Personal data of the insured person / policyholder is processed to such extent to which the insured/policyholder provided them in relation to

(a) the application for a contractual or another legal relationship, (b) any contractual or another legal relationship concluded between him/her and the Administrator, or (c) which the Administrator collected otherwise and processes them in compliance with the current legal regulations for the following purposes: (i) purposes within the consent of the insured/policyholder, (ii) negotiations of the contractual relationship, (iii) fulfilment of the contract, (iv) protection of vitally important interests of the insured/policyholder, (v) authorized disclosure of personal data, (vi) protection of rights of the Administrator, recipient or other concerned persons, (vii) archiving kept as required by the law, (viii) offering deals or services, (ix) provision of the name, surname and address of the insured person/policyholder for the purpose of offering deals and services in compliance with the generally binding legal regulation.

46.6.

If the insured person / policyholder submits a written request to the insurance company, s/he has right, in compliance with the current legislation, to the provision of information processed about him/her by the insurance company, purpose and nature of the personal data processed, recipients of such data and about the Administrators. The insured/policyholder is further entitled to demand from the insurance company a correction of the personal data if s/he ascertains that the data processed by any of the Administrators do not correspond with the reality. If the insured/policyholders ascertains or believes that the Administrator processes his/her personal data in contradiction with the protection of private and personal life of the insured person/policyholder, s/he has right to request an explanation from the insurance company, has right to request that the insurance company remedies such defects. Regardless of the previous provisions of this Article, the insured / policyholder has right to contact the Office for protection of personal data and require remedy if the Administrator breached the duties.

46.7.

For the purposes of article 46 the following is understood:

- Administrator – Insurance Company, Société Générale SA, B 552 120 222, a company founded and existing according to the law of the French Republic, residing at: 29, Boulevard Haussmann, 75009 Paris (SG), Members of FSKB and Persons controlled by SG;
- Marketing activities – set of activities the purpose of which is informing the insured/policyholder about the products and services of the Administrator, submitting offers to their order, mediation or purchase and evaluation of the relevant data for these purposes, even via electronic mail;
- Members of the financial group of the Bank (Members of FSKB) especially Komerční banka, a. s., Company Registration Number 45317054 (Bank), Investiční kapitálová společnost KB, a. s., Company Registration Number 60196769; Modrá pyramida stavební spořitelna, a. s., Company Registration Number 60192852; Penzijní fond Komerční banky, a. s., Company Registration Number 61860018; ESSOX s. r. o., Company Registration Number 26764652, and other entities in which the Bank has or will have its ownership consisting of a direct or indirect share in their registered capital;
- Persons controlled by SG – entities controlled by SG and which, at the same time, (i) have or will have their ownership in subjects residing in the territory of the Czech Republic, consisting of a direct or indirect share in their registered capital, or (ii) have their company address in the territory of the Czech Republic. If such entity is a Member of FSKB, this entity is named on the list of FSKB members;
- Personal data: name, surname, address, date of birth, birth certificate number, contact details, information on reliability and solvency of the insured person / policyholder, not sensitive personal data;
- Data on legal person – the identification data of the insured person / policyholder, especially: business name, place of business/company address, company registration number, date of foundation, type of business, contact details, information about the solvency and reliability of the insured/policyholder.

Article 47 – Changes in the insurance and delivery to the insurance company

47.1.

The policyholder/insured person is obliged to notify the insurance company, without undue delay, of a change in the permanent residence address or correspondence address. The policyholder/insured person is obliged to provide his/her correspondence address in the territory of the Czech Republic for the period of insurance duration.

47.2.

All notifications, announcements and requests of the policyholder, insured person and beneficiary related to the insurance must be made in

writing in Czech at a branch of Komerční banka, a. s., or delivered to the address of Komerční pojišťovna, a. s., Palackého 53, 586 01 Jihlava. In the of the policyholder request for a financial change (notice of cancellation, repudiation of the contract, request for surrender, request for extra withdrawal etc.) placed otherwise than personally at a branch of Komerční banka, a. s., the insurance company is responsible for eventual financial loss caused by the delay in execution of the financial change which was caused by the delivery of the request to any other place than to the branch of Komerční banka, a. s.

Article 48 – Delivery to the client

48.1.

Written documents intended for the policyholder, insured person or beneficiaries can be sent by the insurance company to a previously agreed or last known address of this person via a postal licence holder (hereinafter referred to as the “post”), or delivered to these persons to their own hand via an insurance company’s employee or another authorised person.

48.2.

Written documents of the insurance company sent to the addressee by mail are usually considered delivered on the third day following the day after the proved sending of the document to the correspondence address, even if the recipient does not know about the delivery.

48.3.

Written documents of the insurance company sent to the addressee by recorded delivery are considered delivered, if it is not a delivery in accordance with the below mentioned articles, on the eighth day following the day of the proved sending of the document.

48.4.

Written documents of the insurance company sent to the addressee by recorded delivery with delivery confirmation are considered delivered, if it is not a delivery in accordance with the following articles, on the day when the document is received and which is marked on the delivery confirmation.

48.5.

If the addressee refuses to accept the written document, this document will be considered delivered on the day it is refused.

48.6.

If the addressee is not present and the written document of the insurance company sent by recorded mail is deposited by the postman at the post office, then the document can be considered delivered on the last day of the deposit period, even if the addressee does not learn about the deposit. However, if the last day of this period falls on a Saturday, Sunday or bank holiday, the last day of the period is the next working day.

48.7.

The insurance company’s written document sent by mail is considered delivered on the day on which the letter is sent back as non-deliverable for other reasons.

Article 49 – Settlement of disputes

In case of any complaints it is possible to contact Komerční pojišťovna, a. s., Client Service, Karolinská 1/650, 186 00 Prague 8, eventually the Czech National Bank.

RELATED INFORMATION

(information duty according to Section 66 of the Insurance Contract Act)

Article A – Types of funds

A.1.

Conservative fund (CF)

Conservative fund is based on securities with fixed interest, such as bonds and obligations of state institutions and important financial, industrial and commercial companies. The strategy of this fund is to reach stable growth in the long term without any significant volatility. Although this fund is based on highly secure financial instruments we have to consider a certain risk connected with each security as it may be reflected in its volatility.

A.2.

Balanced fund (BF)

An important part of the balanced fund’s base is formed by obligations, bonds and other securities with fixed interest. The remaining part is created by the bank deposits and securities with variable interest, namely by the shares of leading domestic companies and companies coded listed in the Prague Stock Exchange. However, this type of securities does not guarantee revenue, or the return of investment which

means, compared to bank deposits or obligations, a higher risk. This may subsequently lead to volatility of units in this fund.

A.3.**Dynamic fund (DF)**

Dynamic fund is based on shares and other securities with variable interest, bonds, obligations and bank deposits. Share proportion of the investment portfolio is higher which affects the risk profile of the fund. The price development may be highly variable due to the high level of risk although the aim of this fund is to reach continuous growth in a long term.

A.4.**Dynamic PLUS fund (DPF)**

This fund is based on share certificates of open mutual funds in the Czech and foreign currency investing especially into shares, bonds, obligations and bank deposits. More than two thirds of the investment portfolio consists of share certificates which affect the risk profile of the fund. The price development may copy the development on global share markets; however, the risk is spread more widely here. The aim of the Dynamic PLUS fund is to reach continuous growth in a long term (five years at least).

Article B - Taxes**B.1.**

The relevant provisions of Act No. 586/1992 Coll., Income Tax Act, as amended, apply to this insurance.

B.2.**Taxation on insurance indemnity**

The insurance company is authorised to reduce the indemnity paid from the insurance by an eventual tax on policyholder's income if the obligation to pay this tax arises to it:

- a) In the case of maturity or extra withdrawal – 15 % of the indemnity from insurance reduced by the paid gross premium (Section 36, subsection 2, letter n) of the Income Tax Act)

- b) In the case of surrender – 15 % of the indemnity from insurance reduced by the paid gross premium (Section 36, subsection 2, letter s) of the Income Tax Act)
- c) In the case of death of the insured person, permanent consequences of the accident, damage due to accident or hospitalisation – the indemnity from the insurance is exempt from the income tax (Section 4, subsection 1, letter l) of the Income Tax Act).

Article C – Other information**C.1.**

Information related to other facts which are subject to the insurance company's duty to inform, in accordance with Section 66 of the Insurance Contract Act, are directly included in the text of these insurance conditions.

C.2.

The recommended format of the Message for the recipient in case of an extra premium payment is as follows: "GF: aa %, KF: bb %, BF: cc %, DF: dd %, DPF: ee %" or "GF: CZK aaa, KF: CZK bbb, BF: CZK ccc, DF: CZK ddd, DPF: CZK eee", eventually "Guaranteed: aa %, Conservative: bb %, Balanced: cc %, Dynamic: dd %, Dynamic PLUS: ee %" or "Guaranteed: CZK aaa, Conservative: CZK bbb, Balanced: CZK ccc, Dynamic: CZK ddd, Dynamic PLUS: CZK eee".

Article D – Assistance services**D.1.**

The provider of the assistance services mentioned in the Article VI is AXA ASSISTANCE CZ, Ltd., Kodaňská 25, 101 00 Prague 10. For using the assistance services it is necessary to call number **272 10 10 11**.

D.2.

Contact hours for using the assistance services are the following:

- a) care for health of children and adults line: working days 9:00 – 17:00
b) Mediation of household assistance: 24/7 hours
c) Legal assistance line: working days 9:00 – 17:00
d) Assistance services in case of hospitalisation: 24/7 hours