

ERGO Life Insurance SE

## Special Conditions of Total and Permanent Disability Insurance No 028-06

(these conditions shall apply along with the Universal Life Insurance Rules No 028)

### 1. Object of insurance

- 1.1. The object of insurance shall be property interests related to total loss of working capacity of the Insured.

### 2. Insured persons

- 2.1. The person indicated in the insurance certificate, who is 18-64 years old at the time of conclusion of an insurance agreement and who is subject to insurance coverage during the period specified in the insurance agreement, but no longer than till the age of 65.

### 3. Insured events

- 3.1. An irreversible loss of working capacity of the Insured caused by disorders of various notable bodily functions emerged during the validity period of the insurance coverage resulting in the Insured having working capacity of 0-25% or the Insured being considered incapacitated shall be considered an insured event. The Ministry of Social Security and Labour of the Republic of Lithuania together with the Ministry of Health of the Republic of Lithuania establish the criteria and the procedure for determining the level of loss of working capacity and the level of capacity for work.
- 3.2. Total and permanent disability is the condition which completely limits the Insured's ability to carry out work-related income-generating activities for which a working capacity of up to 25 %, inclusive, has been established.
- 3.3. Working capacity means a person's ability and capacity to perform work which does not require special knowledge, qualifications and skills.
- 3.4. The fact of total and permanent disability shall be confirmed, if such disability of the Insured continuously lasts for at least 12 months. The Insurer shall make a decision on declaring the loss of working capacity an insured event.

### 4. Non-insured events

- 4.1. The following shall be considered non-insured events in case of total and permanent disability when an insurance benefit shall not be paid:
  - 4.1.1. established in the first 6 months (if the policyholder is a legal entity insuring its employees under a group insurance agreement – within the first 3 months) from the date of entry into force of insurance coverage in respect of the Insured, as well as where insurance coverage is suspended; **exception:** the timeframe referred to in clause 4.1.1. shall not apply if:

- this has been agreed in writing in the insurance agreement;
  - the risk of total and permanent disability (to the same extent) was previously insured with the same insurance company and insurance coverage of the Insured is now continued uninterrupted;
  - having established loss of working capacity as a result of an accident occurring during the insurance coverage period beyond the will of the Insured.
- 4.1.2. events related to hostilities (regardless of whether or not a war was declared) and participation in a peacekeeping mission, performing combat tasks during military service, exposure to nuclear energy and radioactive radiation (except for consequences of radiotherapy);
  - 4.1.3. events suffered with the Insured being under the influence of alcohol, drugs or toxic, psychotropic or other psychoactive substances or medicines that were not prescribed by a doctor used for intoxication purposes;
  - 4.1.4. events suffered while the Insured was committing or preparing to commit a criminal offence, or from any other act contrary to the law;
  - 4.1.5. events caused by deliberate self-harm or attempted suicide;
  - 4.1.6. events related to engagement of the Insured in professional and/or extreme sports/leisure-time. If the Insured has notified of engagement in such a sport at the time of conclusion or during the validity period of the Insurance Agreement, and the Insurer has assessed and assumed this risk, the specific agreement between the Insurer and the policyholder regarding the risk assumed shall be indicated in the Insurance Agreement;
  - 4.1.7. events suffered by a person infected with HIV or AIDS.

## **5. Sum insured and insurance benefits**

- 5.1. The Insured's sum insured shall be indicated in the insurance certificate.
- 5.2. Having recognized the Insured person's disability to be an insured event, the Sum Insured of that person valid on the date of the insured event (the date on which total and permanent disability was established) shall be paid out, and the insurance coverage in respect of the Insured shall end.
- 5.3. If the Sum Insured has been increased, and the Insured has become incapacitated within the first 6 months after the increase of the Sum Insured, the Sum Insured equal to the Sum Insured of the Insured valid 6 months ago shall be paid. Where the policyholder is a legal entity insuring its employees under a group agreement, and the Insured loses his working capacity within the first 3 months after the increase of the Sum Insured, the Sum Insured equal to the Sum Insured of the Insured valid 3 months ago shall be paid, unless the insurance agreement indicates otherwise. This clause shall not apply having established disability due to an accident having happened during the period of validity of insurance coverage and beyond the control of the Insured.

## **6. Procedure of reporting insured events**

- 6.1. In case of the total and permanent disability of the Insured, the following shall be submitted to the Insurer:
  - 6.1.1. a notification in the form prescribed by the insurer;
  - 6.1.2. a certificate of the level of working capacity issued by the Disability Assessment Office;
  - 6.1.3. documentation from a health care institution on the cause, onset and duration of the disability;
  - 6.1.4. any other documents requested by the Insurer which are relevant for determining circumstances of the insured event.
- 6.2. The Insured or the Policyholder shall notify the Insurer in writing of the total and permanent disability within 30 days after it was established.

## 7. Procedure of payment of insurance benefits

- 7.1. The Insurer shall pay an Insurance Benefit in the event of total and permanent disability to the Insured, unless the Insurance Agreement establishes otherwise.

## 8. Procedure of amending insurance conditions

- 8.1. Given amendments to the methodology and legal regulation for determining the level of disability, the Insurer shall have the right to change definitions and to adjust the rates accordingly, if the criteria for disability are extended due to changes regulated by the state, which results in a change in the Insurer's risk. The Insurer may make unilateral amendments to the insurance conditions provided that they do not violate rights or interests of the customer, and by warning the Policyholder thereof in writing at least 30 days before the scheduled date of amendment of the insurance conditions.
- 8.2. The Policyholder shall have the right to terminate the insurance agreement or to cancel the selected insurance coverage before the date of entry into force of amendments to the rules, if it finds amendments unacceptable.
- 8.3. The Insurer shall have the right to amend the special conditions of the total and permanent disability insurance for agreements concluded for a period of 1 year, by notifying the Policyholder thereof at least 30 days before the date of automatic extension of the insurance agreement.

General Manager  
Bogdan Benczak

