

Adopted by Order No. V-1/15 of the CEO of the Branch of 23 February 2015

## **SPECIAL TERMS AND CONDITIONS: INVESTMENT INSURANCE PLUS No. 012**

Valid from 01 March 2015

### **1. GENERAL PROVISIONS**

1.1. These special terms and conditions: Investment Insurance PLUS No. 012 (hereinafter referred to as the Special Terms and Conditions) lay down the terms and conditions, regulations and requirements to be applied to the investment insurance plus contracts concluded hereunder and shall be considered as an integral part of such contracts.

1.2. The Special Terms and Conditions shall be applied only in conjunction with the General Insurance Terms and Conditions of the Insurer. In the event of any conflict between the Special Terms and Conditions and the General Insurance Terms and Conditions, the Special Terms and Conditions shall prevail.

1.3. For the purposes of these Special Terms and Conditions, the Insurance Object shall be the property interest related to the lifespan of the Insured and capital accumulation.

1.4. The terms used in these Special Terms and Conditions shall be defined in the General Insurance Terms and Conditions and/or Special Terms and Conditions.

### **2. ADDITIONAL TERMS**

2.1. In addition to the terms defined in the General Insurance Terms and Conditions, the following capitalized terms used in the Contract and in the communications sent by the parties during performance of the Contract shall have the specific meanings defined in the Contract and its annexes and/or particular content and shall be interpreted respectively, unless the context obviously requires otherwise and/or otherwise provided in the Contract or the respective communications between the parties:

2.1.1. **Investment Plan** shall mean the percentage allocation of the paid-in Insurance Premiums among the Investment Directions offered by the Insurer and chosen by the Policyholder which must be specified by the Policyholder in writing or through the E-life system.

2.1.2. **Investment Direction** shall mean an investment fund managed by a management company or securities portfolio formed and managed by the Insurer. The Investment Direction consists of the financial instruments

specified in the strategy of the respective Investment Direction.

2.1.3. **Investment Unit** shall mean the conditional part of the Investment Direction's value whose price varies depending on the different prices of securities belonging to the particular Investment Direction. The purpose of allocation of the Investment Direction into Investments Units shall be calculation of the value of the Accumulated Amount under the Contract and shall not grant the Policyholder with any direct rights to the Investment Units.

2.1.4. **Investment Structure of the Accumulated Amount** shall mean allocation of the Accumulated Amount into different Investment Directions valid at some particular moment.

### **3. INSURED EVENTS**

3.1. The Insured Events under the Contract shall be the following:

3.1.1. End of the Insurance Period, if the Insured survives until the end of the Insurance Period;

3.1.2. Death of the Insured occurred during the Insurance Period;

3.2. If the Insured has been declared to be deceased by a court, then it shall be considered as the Insured Event, provided the day of disappearance or presumed death of the Insured falls in the Insurance Period and provided it is specified in the court decision that she/he disappeared in circumstances justifying a threat of death or giving the reason to believe that the death of the Insured has been caused by the event which shall not be considered a Non-Insured Event.

3.3. If the Insured has been declared missing by a court, it shall not be considered as the Insured Event.

### **4. NON-INSURED EVENTS**

4.1. The Insurer shall not pay the Insurance Benefit due to occurrence of the following Non-Insured Events:

4.1.1. The death of the Insured which is directly or indirectly related to a War or any state of emergency as well as caused by the conscious



and voluntary involvement of the Insured in any abuse or terrorist act;

4.1.2. The death of the Insured which is directly or indirectly related to Radiation, the application of chemical or biological substances for non-pacific objectives;

4.1.3. The death of the Insured caused by a suicide, attempted suicide or self-inflicted wound within first three consecutive years of the validity period of the Insurance Coverage or within three consecutive years following the increase of the Sum Insured, in respect of the increased Sum Insured;

4.1.4. The death of the Insured occurred due to the fault of the Insured, Beneficiary, Policyholder or any other person who is interested in receipt of the Insurance Benefit, his/her deliberate act established by the competent institution, attempt to commit a criminal act, or direct or indirect involvement in any criminal act, except for the cases when these deliberate acts or omission have any social value (self-defence, performance of civic duty, etc.);

4.1.5. The death of the Insured caused by any illness resulting from HIV or AIDS, if HIV or AIDS was diagnosed for the Insured before concluding the Contract or within the first year of the validity period of the Insurance Coverage.

4.2. The Insurer shall also be entitled to reduce the Insurance Benefit or refuse to pay it in cases laid down in paragraph 11.17 of the General Insurance Terms and Conditions.

## **5. SUM INSURED**

5.1. The Sum Insured shall be paid in case of the Insured event.

5.2. When concluding the Contract, the Policyholder shall choose one of the following options of the Sum Insured:

5.2.1. option A – when the Sum Insured is equal to the Fixed Amount Insured, which has been established upon the mutual agreement between the Policyholder, or the Accumulated Amount, if the latter amount is larger than the Fixed Amount Insured; or

5.2.2. option B – when the Sum Insured is equal to the sum of the Fixed Amount Insured, which has been established upon the mutual agreement between the Policyholder and the Insurer, and the Accumulated Amount.

## **6. INVESTMENT**

6.1. All investment risk shall be borne by the Policyholder: any investment income or loss resulting from investment of the funds according to the Investment Directions chosen by the Policyholder changes the price of the Investment Units respectively, i.e. it may both increase and decrease. Each investment action is related to the risk, i.e. potential loss or failure to meet expectations. The investment results of the previous period do not allow income to be guaranteed in the future. Changes in the value of investments of the previous period shall not necessarily indicate the future changes in the value. Investment shall not guarantee preservation of the value of invested funds. Prior to making any decision related to investment under the Contract, the Policyholder must assess the abovementioned risk.

6.2. The funds of each Investment Direction shall be invested according to the strategy of this Investment Direction which shall be made available to the Policyholder prior to choosing the Investment Directions and which is publicly available on the website of the Insurer as well as at the Customer Service Units.

6.3. The Insurer shall not be responsible:

6.3.1. for the actions or investment management of the manager of the Investment Direction, if other than the Insurer;

6.3.2. for the loss incurred as a result of any changes of the Investment Plan or any part whereof by the Policyholder which conflict with the Policyholder's nature of investment;

6.3.3. if there is no possibility to establish the price of the Investment Units or undertake transactions with the respective securities, etc. due to the fault of the manager of the Investment Direction or actions of the competent supervisory institution.

6.4. The paid-in Insurance Premiums shall be linked with the Investment Units according to the Investment Plan. Prior to linking of the Insurance Premium to the Investment Units, the applicable Fees laid down in Section 9 of these Special Terms and Conditions shall be deducted from the respective Insurance Premium.

6.5. Assignment of the Investment Directions and calculation of the Investment Units, establishment of the Investment Structure of the Accumulated Amount under the Contract shall be based on the Procedure for Administration of Investment Insurance Contracts.



6.6. If the Insurance Premium may not be linked to the Investment Units of the particular Investment Direction according to the Procedure for Administration of Investment Insurance Contracts due to the reasons beyond the control of the Insurer, such linking must be done as soon as such precluding objective reasons disappear. If these reasons fail to disappear quite a long period of time, the Insurer shall offer to the Policyholder to change the Investment Plan.

6.7. At least 10 % of the Insurance Premium shall be linked to the Investment Units of one Investment Direction.

6.8. The Accumulated Amount may be linked to no more than 10 different Investment Directions at a time;

6.9. The size of all Investment Units of one Investment Direction is the same and their price shall be established by the manager of the Investment Direction.

6.10. The currency of the Contract shall be the national currency of the Republic of Lithuania.

6.11. If the price of the Investment Units linked to the Contract has been established in any foreign currency, the Insurer shall convert the price of the Investment Units into the national currency of the Republic of Lithuania according to the official exchange rate determined by the European Central Bank applicable to such foreign currency.

6.12. The Investment Structure of the Accumulated Amount may be amended by the Policyholder, if the Accumulated Amount is not less than the minimum value established by the Insurer and/or the Insurance Coverage is not suspended at the moment of amendment.

6.13. Amendment of the Investment Structure of the Accumulated Amount may lead to the change in the Accumulated Amount since the date of unlinking of the Investment Units from one Investment Direction and the date of linking them to other Investment Direction as well as the respective prices of the said Investment Units will differ and as a result of deduction of the applicable Fees.

6.14. If one of the Investment Directions is cancelled, the Insurer undertakes to inform the Policyholder in writing or through the E-life system of the Investment Direction to be cancelled within the reasonable period of time. The Policyholder must inform the Insurer in writing or through the E-life system of his/her decision where to invest the funds accumulated in the Investment Direction to

be cancelled and payable Insurance Premiums. If the Policyholder fails to inform of his/her decision until the day of cancellation of the Investment Direction, the Insurer shall be entitled to reinvest the funds accumulated in the Investment Direction to be cancelled and payable Insurance Premiums at his/her own discretion into one of the Investment Directions offered at that date or reinvest them proportionately into other Investment Directions where other funds of the Policyholder are invested.

## **7. ACCUMULATED AMOUNT**

7.1. The Accumulated Amount shall be the amount accumulated from the Insurance Premiums paid during the Insurance Period (after deduction of the Fees established under the Contract), the value whereof directly depends on the number and prices of the Investment Units linked to the Contract.

7.2. The Accumulated Amount at any particular moment is equal to the monetary price of all Investment Units linked to the Contract in the national currency of the Republic of Lithuania according to the recently available prices of the Investment Units and currency exchange rate. Any paid-in Insurance Premium which has not been linked to the Investment Units yet shall also be included in the Accumulated Amount after deduction of the Fees laid down in Section 9 of these Special Terms and Conditions.

7.3. The Policyholder must ensure that the Accumulated Amount would be sufficient to cover the Fees to be deducted under the Contract in accordance with the terms and conditions laid down in the Contract. Otherwise, the Insurance Coverage shall be suspended, as prescribed by paragraph 14.1 of the General Insurance Terms and Conditions.

7.4. Once a year, the Insurer shall send to the Policyholder the written report on the Accumulated Amount, Surrender Value and other information prescribed by the applicable law.

## **8. SURRENDER VALUE**

8.1. The Surrender Value shall be calculated by deducting the costs of conclusion and performance of the Contract from the Accumulated Amount under the Contract. The percentages of the Surrender Value from the Accumulated Amount and the approximate amounts of the Surrender Value in a particular currency shall be specified in the Annex to the Insurance Certificate (Policy).



8.2. The Surrender Value shall be paid, if the Insured Event has not occurred in cases laid down in the Contract and/or in the following situations:

8.2.1. withdrawal of any part of the Accumulated Amount by the Policyholder;

8.2.2. termination of the Contract by the Policyholder in cases and in accordance with the procedure laid down in the Contract or applicable law;

8.2.3. termination of the Contract upon the request of the Insurer due to violation of the terms and conditions of the Contract by the Policyholder.

## **9. FEES**

9.1. The following Fees, the specific or individual amounts or calculation procedure whereof is specified in the Insurance Certificate (Policy) and/or Price List, shall be applied under the Contract during its validity period (except for cases laid down in the Contract when the Fees or any part whereof shall be applied only during the validity period of the Insurance Coverage):

9.1.1. the Management Fees, intended to cover the costs of conclusion and performance of the Contract, which shall be deducted as follows, unless otherwise provided in the Procedure for Administration of Investment Insurance Contracts:

9.1.1.1. the Fees depending on the amount of the Insurance Premium shall be deducted from each received Insurance Premium, and if the Policyholder fails to pay the established Insurance Premiums or pays only a part of the agreed Insurance Premiums, these fees shall be deducted from the Accumulated Amount on the last day of each year of the Insurance Period, depending on the value of the Insurance Premium specified in the Insurance Certificate (Policy);

9.1.1.2. the Fees depending on the value of the Accumulated Amount shall be deducted from the Accumulated Amount on the last day of each month.

9.1.2. The Risk Fees for Insurance Coverage (Insurance Coverage of life insurance and Insurance Coverage of Additional Insurances), the amounts whereof shall be established in each particular case, in view of the risk and other terms and conditions of the Contract. The Risk Fees shall be deducted from the Accumulated Amount on the last day of each month according to the Investment Structure of the Accumulated Amount;

9.1.3. the Fees for Additional Services payable for provision of the services specified in the Contract or Price List which shall be deducted from the Accumulated Amount in case of amendment of the Contract, its termination, partial withdrawal of money, change of the Investment Plan, amendment of the Investment Structure of the Accumulated Amount, issue of a duplicate of the Insurance Certificate (Policy) or in any other cases provided for in the Price List on the day of performance of the respective action.

## **10. INSURANCE BENEFIT IN THE EVENT OF THE INSURED'S DEATH**

10.1. In case of the Insured's death, the Insurer shall pay the Sum Insured to the Beneficiary in the event of death of the Insured. If the death of the Insured has been caused by the event which shall not be considered as the Insured Event, the Insurer shall pay to the Beneficiaries only the Accumulated Amount in the event of such death.

10.2. When calculating the Insurance Benefit in the event of death of the Insured, the Insurer shall fix the amount accumulated until the moment of receipt of information on the Insured's death by the Insurer as the Accumulated Amount. If the Policyholder once or several times exercises the right to withdraw the share of the Accumulated Amount, then the value of the Insurance Benefit shall be calculated so that the share of the Fixed Sum Insured would be reduced in accordance with the procedure indicated in par.12.4 of these Special Terms and Conditions.

10.3. The Beneficiary in the event of the death of the Insured, the Policyholder or their successors must inform the Insurer of the death of the Insured within the period of 30 (thirty) days and provide the following documents in a form and with content acceptable to the Insurer:

10.3.1. application for Insurance Benefit in a form established by the Insurer;

10.3.2. original copy of the Insurance Certificate (Policy);

10.3.3. copy of the death certificate of the Insured certified by a notary public or a person authorized by the Insurer or a court decision acknowledging the death of the Insured;

10.3.4. documents certifying the identity/identification and/or powers of the Beneficiaries in the event of the death of the Insured or other person entitled to the Insurance Benefit (copies must be provided together with original copies for identification);



10.3.5. documents certifying the right to the Insurance Benefit, if it is claimed either by the legitimate heirs or successors of the Beneficiary in the event of the death of the Insured;

10.3.6. upon the request of the Insurer, other additional documents or information required for investigation of the Insured Event.

10.4. If the Insured has been declared to be deceased by a court, the Insurer shall be informed of the death of the Insured within the period of 30 (thirty) days from such declaration.

## **11. INSURANCE BENEFIT AT THE END OF THE INSURANCE PERIOD**

11.1. The Insurer shall pay the Accumulated Amount at the end of the Insurance Period, if the Insured survives until the end of the Insurance Period. The Accumulated Amount shall be paid to the Beneficiaries in the event of the Insured's survival.

11.2. In order to obtain the Insurance Benefit at the end of the Insurance Period, the Beneficiaries in the event of the Insured's survival or their successors shall provide to the Insurer the following documents in a form and with content acceptable to the Insurer:

11.2.1. application for Insurance Benefit in a form established by the Insurer;

11.2.2. original copy of the Insurance Certificate (Policy);

11.2.3. documents certifying the identity/identification and/or powers of the Beneficiaries in the event of the Insured' survival or other person entitled to the Insurance Benefit (copies must be provided together with original copies for identification);

11.2.4. documents certifying the right to the Insurance Benefit, if it is claimed either by the legitimate heirs or successors of the Beneficiary in the event of the Insured' survival.

## **12. PARTIAL WITHDRAWAL OF THE ACCUMULATED AMOUNT**

12.1. The Policyholder shall be entitled to withdraw a part of the Accumulated Amount starting from the fifth year of the validity period of the Contract by submitting to the Insurer the respective written request where the part of the Accumulated Amount requested to be withdrawn shall be specified. In this case, the applicable

Fees shall be paid. The part of the Accumulated Amount requested to be withdrawn shall be in compliance with the requirements laid down in paragraph 12.2 of these Special Terms and Conditions.

12.2. The Insurer shall be entitled to establish minimum values for the part of the Accumulated Amount to be withdrawn as well as the minimum values for the Accumulated Amount remained after the partial withdrawal of the Accumulated Amount.

12.3. If the request of the Policyholder to withdraw any part of the Accumulated Amount is not in compliance with the requirements laid down in paragraph 12.2 of these Special Terms and Conditions, the Insurer shall be entitled to unilaterally reduce the amount to be paid in order to meet the requirements laid down in paragraph 12.2 of these Special Terms and Conditions.

12.4. In case of the partial withdrawal of money, the value of the Accumulated Amount will be reduced by a share that the Policyholder requested to be withdrawn as the partial withdrawal of the Accumulated Amount and by Fees that are charged on the partial withdrawal of the Accumulated Amount. If the Contract is subject to option A as for the Sum Insured, then Risk Fees stipulated by the Contract shall be calculated and the Insurance Benefit in the event of the death of the Insured shall be determined by reducing the Fixed Amount Insured by deducting the aforementioned sums. .

12.5. The Surrender Value shall be calculated for the part of the Accumulated Amount to be withdrawn by the Policyholder.

## **13. ADDITIONAL INSURANCES**

13.1. When concluding the Contract in accordance with these Special Terms and Conditions, the Policyholder may choose the Additional Insurances in accordance with the respective Special Terms and Conditions of the Insurer.

13.2. Any agreements on Additional Insurances shall become the integral part of the Contract and they must be specified in the Insurance Certificate (Policy).

13.3. The Insurance Premiums as Risk Fees for the chosen Additional Insurance shall be deducted from the Accumulated Amount on the last day of each month according to the Investment Structure of the Accumulated Amount, as prescribed by Clause 9 of the Special Terms and Conditions.





Annex No. 1 to

## **SPECIAL TERMS AND CONDITIONS: INVESTMENT INSURANCE PLUS NO. 012**

### **PRICE LIST Effective from 01 March 2015**

#### **1. Management Fees**

##### **1.1. Fees depending on the amount of the Insurance Premium:**

1.1.1. The Insurance Premium collection fee shall not be higher than 2% of the periodic Insurance Premiums;

1.1.2. The contract conclusion fee shall not be higher than 4% of the periodic Insurance Premiums during the first and second years of the validity period of the Contract;

1.1.3. The contract administration fee shall not be higher than 13% of the periodic Insurance Premiums only during the first and second years of the validity period of the Contract;

1.1.4. The fee on the one-off or initial Insurance Premium shall not be higher than 6%.

1.1.5. The fees on the Insurance Premiums shall be obligatory during the first ten years of the validity period of the Contract, i.e. they are applied even in case of failure to pay the Insurance Premiums specified in the Contract. The Fee on the outstanding premiums shall be deducted from the Accumulated Amount at the end of each year of the validity period of the Contract.

##### **1.2. Fees depending on the amount of the Accumulated Amount:**

1.2.1. The contract administration fee shall be deducted from the Accumulated Amount at the end of each calendar month and shall not be higher than 0.05% monthly of the value of the Accumulated Amount stated at the end of the period of calculation, however the minimum value of this fee is EUR 2.32 per month.

#### **2. Fees for additional services**

<b>Service</b>	<b>Fee</b>
Amendments of the Contract: reduction of the Sum Insured, amendment of the Insurance Period, reduction of the Insurance Premiums, amendment of periodicity of payment of the Insurance Premiums, amendment of the Beneficiaries, other amendments. <small>*Note: this fee shall be calculated for amendment to each provision of the Contract separately.</small>	EUR 5.00
Partial withdrawal of money	EUR 11.00
Termination of the Contract	EUR 14.00
Issue of a duplicate of the Insurance Certificate (Policy) and other documents certifying conclusion of the Contract	EUR 5.00
Change of the Investment Plan more than 4 times per year - for each additional amendment	EUR 5.00
Amendment of the Investment Structure of the Accumulated Amount more than 4 times per year - for each additional amendment	EUR 5.00

#### **3. Other conditions**

3.1. Minimum value of the part of the Accumulated Amount: EUR 145.00.

3.2. Minimum value of the Accumulated Amount which must remain after partial withdrawal of the Accumulated Amount: EUR 145.00, but not less than 10 per cent of the Accumulated Amount before the partial withdrawal.

3.3. Minimum life insurance sum, if it has been chosen: EUR 1,400.00