

**SPECIAL TERMS AND CONDITIONS
OF GROUP INSURANCE
OF TOTAL AND PERMANENT DISABILITY**

1 INTRODUCTORY PROVISIONS
(RULES GOVERNING THE INSURANCE)

- 1.1 These Special Terms and Conditions of Insurance are effective from 1 December 2021.
- 1.2 Insurance of total and permanent disability (hereinafter "TPD") is governed by the insurance policy and these Special Terms and Conditions of Insurance, and also by General Insurance conditions of Group Non-Life Insurance VPPSNP 1.4 (hereinafter "VPPSNP").
- 1.3 The TPD insurance may only be taken out independently or as supplementary insurance to life or non-life insurance.
- 1.4 The TPD insurance covers insured persons who are members of the group defined in the insurance policy or whose names appear in the list of insured persons which the policyholder regularly sends to the insurance company as agreed.

What is important

Insurance of total and permanent disability is, in addition to these Special Terms and Conditions of Insurance, also governed by General Insurance Conditions of Group Non-Life Insurance (VPPSNP 1.4). Please remember to read the General Insurance Conditions.

2 INSURANCE RISK, INSURED EVENT
(HOW YOU ARE PROTECTED BY INSURANCE)

- 2.1 The insurance risk is disability of the insured person.
- 2.2 An insured event covered under the TPD insurance is the 3rd degree disability of the insured person, which occurred no earlier than after the date of the commencement of the insurance of the given insured person and is confirmed by the relevant documentation. This is a disability assessment and other documents proving the state of health of the insured person as described in such assessment.
- 2.3 Insurance benefits can be arranged in the form of a specified sum insured paid as a lump sum or in 3 instalments.
- 2.4 In the case of an insured event, the insurance benefit will be paid:
 - a) as a lump sum of 100% of the specified sum insured. The insured event will occur on the day of delivery of the complete documentation proving the 3rd degree disability of the insured person to the insurance company, or
 - b) in 3 instalments. The insured event for the first benefit will occur after 1 month from the date of delivery of the complete documentation proving the 3rd degree disability of the insured person to the insurance company. The insured event for the second benefit will occur 12 months from the date of delivery of the complete documentation proving the 3rd degree

disability of the insured person to the insurance company. The insured event for the third benefit will occur 24 months from the date of delivery of the complete documentation proving the 3rd degree disability of the insured person to the insurance company. The second and third benefits will be paid provided that the 3rd degree disability of the insured person lasts continuously for the entire period of 12 and 24 months from the date of delivery of the complete documentation proving the 3rd degree disability of the insured person to the insurance company.

- 2.5. Furthermore, an insured event is deemed to arise only if the injury or onset of the disease which led to 3rd degree disability of the insured person occurred during the term of validity of insurance of the given insured person.

What is important

For procedures and obligations in the case of an insured event, see also paragraph 10.3 and Article 11 of VPPSNP.

- 1. You should notify a claim without undue delay (fill in and post the appropriate form).**
- 2. You should provide true explanation of the rise and scope of consequences of the event and support it with necessary documents (e.g. medical reports, Czech Republic Police report, etc.).**
- 3. The insurance company will, without undue delay, start investigation to establish the extent of the benefit. Investigation must be completed within 3 months from the claim notification date.**
- 4. The benefit is payable within 15 days from the end of investigation.**

Please note! A limitation period of 4 years starts to run from the insured event date. If you do not notify a claim within the above time limit, your claim will be forfeited and the insurance company will not pay you the benefit.

3 SPECIAL OBLIGATIONS

(WHAT IS DIFFERENT IN THIS INSURANCE)

- 3.1 The insured person is obliged to inform the insurance company without undue delay and using the relevant valid form of the insurance company that an insured event has occurred or will occur, provide true explanation of the rise and scope of the event and support it with documents proving the validity of the claim.
- 3.2 When notifying an insured event, the insured person will provide especially the disability assessment, the medical report stating the exact diagnosis, or the hospitalization report, including any medical reports and documents concerning his/her previous state of health.
- 3.3 If the payment of insurance benefits in the form of 3 instalments is agreed, the insured person is obliged to prove continuation of the 3rd degree disability to the insurance company upon request, at any time during the first 2 years from the date of delivery of complete documentation confirming the 3rd degree disability to the insurance company. If the insured person does not prove continuation of the 3rd degree disability, the insurance company will not pay the second and/or third instalments of the insurance benefit.
- 3.4 The insured person shall inform the insurance company without undue delay of changes of facts decisive for payment of insurance benefits (especially if his/her working ability has changed) at the latest within 15 (fifteen) days from such change or a decision made by the relevant authority.

4 INSURANCE BENEFITS

(HOW MUCH THE INSURANCE COMPANY WILL PAY IN THE CASE OF AN INSURED EVENT)

- 4.1 In the case of an insured event pursuant to Article 2.4 a), the insurance company will pay a lump sum benefit in the amount of 100% of the agreed sum insured, which was valid on the day of delivery of complete documentation proving the 3rd degree disability of the insured person to the insurance company.
- 4.2 In the case of an insured event pursuant to Article 2.4. b), the insurance company will pay the amount of the insurance benefit equals 25% of agreed sum insured in the first and the second instalment and 50% in the third instalment, which was valid on the day of delivery of complete documentation proving the 3rd degree disability of the insured person to the insurance company.
- 4.3 The entitlement to insurance benefits will expire on the day when:
 - a) the insured person's 3rd degree disability ceased,
 - b) the insured person, within 90 days of receiving the insurance company's request, did not prove continuation of his/her 3rd degree disability.
- 4.4 The insurance benefit is paid to the insured person.

5 TERM OF INSURANCE AND TERMINATION

(HOW LONG THE COVER LASTS)

- 5.1 If this insurance is taken out as supplementary insurance to life or non-life insurance, it is concluded for the same term and will end with such other life or non-life insurance.
- 5.2 If an insurance claim is admitted, the insurance will end as of the insured event date.
- 5.3 Furthermore, the insurance will terminate as of the date when the insured is awarded old-age pension on the basis of a final decision of the competent authority.

What is important

If disability insurance ends, the whole coverage of the insured person will be terminated, i.e. including assurance involving death risk and other supplemental insurance taken out.

6 INSURANCE PREMIUMS

(PRICE OF INSURANCE)

- 6.1 The amount of premium and the premium payment frequency are specified in the insurance policy.

7 EXCLUSIONS

(WHAT IS NOT COVERED)

- 7.1 Only the exclusions stipulated in Article 12 (1)(a), (c), (d) and (f) of the VPPSNP apply to this insurance.

8 DEFINITIONS

(WHAT DOES THIS MEAN?)

- 8.1 **3rd degree disability of the insured person** – exclusively for the purposes of this insurance, this term means reduction of the insured person’s capacity to work caused by illness or injury by at least 70 % which occurred due to a long-term unfavourable state of health, and such reduction cannot be considered temporary.
- 8.2 **Working ability** - the ability of the insured to perform gainful activity corresponding to his physical, sensory and mental skills, taking into account the education, experience gained and knowledge and previous gainful activities.
- 8.3 **Decreased working ability** – decreased ability to perform gainful activity due to physical, sensory and mental limitations abilities compared to the condition of the insured person before the emergence of a long-term unfavourable health condition. The determination of the decrease in working capacity is based on the health condition of the insured person documented by the results of professional medical examinations; taking into account whether it is a disability that permanently affects the ability to work, whether it is a stable health condition, whether and how the insured person is adapted to his/her disability, the ability to retrain the insured person for a different type of gainful activity than before, the ability to use the preserved work ability and the ability to gainful employment capacity under very exceptional conditions.
- 8.4 **Disability assessment** – an expert report issued by the Social Security Administration pursuant to Section 8 (10) of Act No. 582/1991 Coll., on organisation and implementation of social security, or should the legislation be amended, an equivalent document proving the insured person’s disability.
- 8.5 **Injury** – unanticipated and sudden exertion of external forces or the insured person’s own physical strength independent of the will of the insured person that occurs during the term of the insurance and that results in damage to the health of the insured person.
- 8.6 **Disease** – a change in the physical health of the insured, which the insured became ill for the first time after the date of conclusion of this insurance and after the expiration of the specified waiting period.

[ZPPSNP TPD 1.4]