# Growth Portfolio Junior Terms and conditions

### Life insurance with investment risk

Valid for contracts concluded
from 04.04.2017

Here you will find an overview of the terms and definitions of the Growth Portfolio Junior insurance contract. Please take the time to read through them. If you have any questions, please do not hesitate to contact our customer support on 665 8020 or visit a SEB branch.

## Definitions

**Accumulated reserve** is the monetary value of underlying assets.

**Growth Portfolio Junior** (hereinafter the Contract) is a life insurance contract, enabling policyholder to collect money for a child through fund investments.

**Insured event** is policyholder's death before the transfer day.

**Insured person** is an up to 17-year old natural person, who is the subject of the Contract.

**Sales amount** is the amount received from the sale of the underlying assets or a part of them.

**Trustee** is a person appointed by the policyholder, who in case of policyholder's death has the right to change the contribution structure and the underlying assets of the Contract. The Trustee has these rights until the transfer day.

**Transfer day** is the day when insurance covers and the possibility to make contributions end, and the right to submit a disbursement application is transferred from the policyholder to the insured person. The age of the insured person on the transfer day must be 18–25 years.

**Underlying assets** are the securities and cash related to the Contract. Owner of the underlying assets is the insurer.

## Conclusion of contract and contributions

1. The Contract is valid from the day of submitting the application until the transfer day.
2. Upon conclusion of the Contract the following is agreed among other things:
   - transfer day;
   - insurance covers for the policyholder and insured person;
   - trustee;
   - structure of contributions;
   - amount of contributions and payment method.
3. The policyholder determines the structure of contributions from the list of underlying assets offered by the insurer, and makes contributions.
4. The insurer buys securities based on the contribution structure determined by the policyholder. Insurer starts the purchase transaction on the next working day following the receipt of the contribution at the latest; however, not before 30 days have passed from the conclusion of the contract.

## Insurance cover

5. Life insurance cover of the policyholder is 1% of the accumulated reserve at the time of insured event.
6. The cover for continuation of insurance premiums is the obligation of the insurer to continue payment of the agreed contributions until the transfer day in case of an insured event.
7. The validity of the insurance cover of the insured person and the policyholder is specified in the policy.

## Changing underlying assets, and disbursements

8. Based on a given order, the policyholder has the right until the transfer day to:
   - change the contribution structure of the contract;
   - sell the securities in the underlying assets of the contract and buy new ones, i.e. exchange them;
   - take money out of the contract.
9. Insurer starts transactions specified in the policyholder's order on the next working day following the receipt of the order at the latest. With fund unit exchange sales transaction is done first and purchase transaction after that.
10. Disbursement from the contract is made on the value date based on order given by policyholder. On the value date, transaction-related settlements are performed, disbursement is made and service fee related to the transaction is calculated. If transaction includes sales of several securities, then settlements will be made on the latest value date.
11. The price of security purchased or sold is determined on the pricing day, specified in the list of underlying assets at seb.ee/eng/underlying-assets. Changes made are reflected in the underlying assets after the price has been determined.
12. The amount of securities in the underlying assets increases, in case dividends or interest are paid on the specific security.
13. Insurer keeps cash in underlying assets in its current account in case:
    - the client's order specifies cash as an underlying asset;
    - the fund in the underlying assets is liquidated.

## Benefit and its payment

14. Upon the occurrence of an insured event the benefit is 1% of the accumulated reserve and, if the cover for continuation of insurance premiums has been selected, the agreed contributions. Insurer pays the benefit into the Contract by buying underlying assets for it, based on the effective structure of contributions.
15. The insurer pays 1% of the accumulated reserve to the Contract as a lump sum after being notified of the insured event.
16. If the cover for continuation of insurance premiums has been selected, the insurer continues making the agreed contributions to the Contract until the transfer day after the insured event.

## Exclusions

17. The insurer may refuse to pay or it may reduce the sum insured if the policyholder has knowingly provided incorrect or incomplete information at the time of the conclusion of the insurance contract, and this increases the insured risk.
18. The insurer may refuse to pay or it may reduce the benefit if the insured event has been caused by:
    - alcohol or a narcotic, psychotropic or other toxic substance. The above also includes an accident with a motor vehicle driven by the policyholder if the concentration of the above substance in the insured person's body exceeded the limit set in the legislation of the country of location of the accident;
    - radioactive radiation;
    - military actions, act of an external enemy, civil war, mutiny, revolution or participation in mass disturbances;
    - policyholder's suicide within two years from the entry into the insurance contract;
    - intentional illegal action of the insured person or the policyholder, including driving a motor vehicle without a licence.

## Termination of the contract and related disbursements

19. The Contract is terminated:
    - on the transfer day;
    - upon withdrawal;
    - upon termination;
    - upon the death of the insured person.
20. The insured person has the right to submit a disbursement application after the transfer day. The insurer pays the sales amount to the insured person.
21. The contribution paid to the insurer is returned to the policyholder upon withdrawal from the Contract within 30 days from its conclusion.
22. Upon termination of the contract, the policyholder is paid the redemption value, which is calculated by deducting the fee set out in the price list from the sales amount of the underlying assets.
23. Upon the death of the insured person, the insurer pays the sales amount to the policyholder.

## Contract related fees

24. Contract and transaction related fees include:
    - management fee;
    - risk fee for insurance covers;
    - fund unit exchange fee;
    - disbursement fee;
    - fees related to the underlying assets.
25. The amounts of fees related to the Contract and the procedure of calculating these is set out in the price list, which you can find at seb.ee/growth-portfolio-junior-price-list, the fees related to the underlying assets at seb.ee/eng/underlying-assets.
26. To cover the management fee and the risk fee, the insurer sells securities in accordance to their proportion in the accumulated reserve. If the sales amount is insufficient, the policyholder has to settle the debt by the specified date.

## Changing the price list and the list of underlying assets

27. The insurer may unilaterally change:
    - the price list, notifying the policyholder at least one month before the change enters into force;
    - the list of underlying assets.
28. The policyholder may cancel the Contract, if they do not agree to the changes.

## Investment risk

29. The Contract involves investment risk, which is borne by the policyholder. This means that the value of the underlying assets of the Contract may both increase and decrease, and the preservation of contributions is not guaranteed.

## Taxation

30. Income tax is withheld on the disbursements according to the Income Tax Act.