SEB PENSION CONTRACT
POLICY CONDITIONS

Valid as of 01.11.2011

1 GENERAL

The present SEB Pension Contract policy conditions of SEB Elu- ja Pensionikindlustus (hereinafter referred to as the insurer) shall be valid only together with the general conditions of the insurer and shall be an annex to the insurance contract. In case of discrepancies between SEB Pension Contract policy conditions and the provisions of general conditions, SEB Pension Contract policy conditions shall prevail.

2 POLICYHOLDER AND INSURED PERSON

2.1 Policyholder shall be a natural person who is entitled to mandatory funded pension.
2.2 The policyholder shall be the insured person.

3 BENEFICIARY

3.1 Beneficiary shall be the natural person (or persons) set out in the insurance contract to whom the right to receive pension disbursements shall be transferred in case of the death of the insured person during the guarantee period.
3.2 Policyholder may replace the beneficiary on the basis of an application.

4 PENSION CONTRACT

Pension Contract shall be the mandatory funded pension contract concluded between the insurer and the policyholder, on the basis of which the policyholder shall pay insurance premiums to the insurer and the insurer shall make pension disbursements to the policyholder according to the conditions and procedure agreed in the contract until the death of the policyholder.

5 INSURANCE PREMIUMS

5.1 Insurance premium shall be the payment paid by the policyholder to the insurer.
5.2 Insurance premium shall be paid so that upon concluding the Pension Contract all units of a pension fund belonging to the policyholder or units of a pension fund corresponding to the rate of at least the multiple of 700 national pension rates shall be taken back from the policyholder and the registrar shall make a one-off insurance premium payment in a corresponding amount to the policyholder.
5.3 In case the policyholder acquires units of a pension fund after concluding the Pension Contract, he or she shall be entitled to submit an application to the insurer for paying a supplementary insurance premium. After receiving respective application from the policyholder, the insurer shall submit a respective application to the registrar for receiving the supplementary insurance premium. The registrar shall arrange transfer of the supplementary insurance premium to the account of the insurer.

6 PENSION DISBURSEMENT AND PAYMENT THEREOF

6.1 Pension disbursement is the periodical payment made by the insurer.
6.2 Pension disbursement shall be calculated on the basis of the rates established by the insurer, taking into account the age of the policyholder, amount of insurance premiums, frequency and beginning of pension disbursements and the term of the guarantee period.
6.3 The insurer shall make pension disbursements to the policyholder until the death of the policyholder.
6.4 The amount of pension disbursement shall be designated under an agreement of the policyholder and the insurer upon concluding the insurance contract or upon receiving a supplementary insurance premium.
6.5 Payment of pension disbursements shall begin as of the initial date of pension disbursements agreed in the insurance contract, but not before the month following receipt of the money.
6.6 Pension disbursements shall be paid quarterly or monthly. Pension disbursement shall be paid on the 12th date of every month or on the following working day (in case of quarterly pension disbursements on the 12th date of the first month of the quarter or on the following working day).
6.7 The insurer shall be entitled to make inquiries at their own cost before every pension disbursement and demand complementary documents or conduct an official inquiry to verify that the insured person is alive.
6.8 The insurer shall be entitled to withhold international bank transfer costs related to paying the pension disbursements, if the policyholder wishes the pension disbursements to be transferred to a current account in a foreign country.
6.9 The insurer shall be entitled to reclaim pension disbursements made without basis.
6.10 Pension disbursements shall be paid by the insurer on the date of payment set out in the insurance contract to the current account of the policyholder or the beneficiary.
6.11 In case of the death of the insured person after the guarantee period, the insurance contract shall be terminated and pension disbursements shall be cancelled.
6.12 If the insurer delays the payment of a pension disbursement, the insurer shall pay default interest pursuant to valid legislation.

7 GUARANTEE PERIOD

7.1 Guarantee period shall be the period fixed in the insurance contract, during which pension disbursements are made to the beneficiary given in the contract, in case of death of the policyholder during the guarantee period.
7.2 In case of death of the policyholder during the guarantee period the contractual pension disbursement shall be paid to the beneficiary until the end of the guarantee period. In case of death of the beneficiary the right to receive pension disbursement shall be transferred to his or her successors.
7.3 Initial date of pension disbursements shall be regarded as the beginning of the guarantee period.
7.4 In case of death of the policyholder after receipt of the insurance premium on the account of the insurer, but before the initial date of pension disbursements, the contractual pension disbursement shall be paid to the beneficiary during the guarantee period.
7.5 The beneficiary shall inform the insurer of the death of the insured person not later than within two months as of the date of death and shall submit the following documents:
7.5.1 insurance policy;
7.5.2 application to receive pension disbursements;
7.5.3 death certificate or notarized copy thereof;
7.5.4. identification document;
7.5.5 resolution of the police regarding the cause and circumstances of the death of the insured person, if the insured person died due to an accident or act of violence;
7.5.6 certificate of right of succession and agreement on division of estate (in case of successors).

8 DELIVERING INFORMATION ABOUT THE CONTRACT

The insurer shall inform the policyholder once per year of the following data:

- pension disbursements made during the period;
- fees charged on the basis of the Pension Contract;
- technical profit prescribed during the period and share of profit prescribed to the policyholder;
- surrender value of the Pension Contract.

9 EXPIRY OF THE PENSION CONTRACT

9.1 In case of the death of policyholder the Pension Contract shall expire on the date of death of the policyholder. If there is a guarantee period chosen for the Pension Contract and the insured person dies during the guarantee period, the Pension Contract shall expire on the final day of the guarantee period.
9.2 Upon canceling the insurance contract under the initiative of the policyholder, the Pension Contract shall expire at the end of the pension year provided that the application of canceling is submitted at least three months before the end of the pension year. Pension

year shall be a one-year period, which shall be calculated as of concluding the Pension Contract.

10 CANCELLATION OF THE PENSION CONTRACT

10.1 If the policyholder wishes to cancel the Pension Contract, he or she shall submit a respective application in writing or in a format enabling written reproduction to the insurer. The policyholder shall be entitled to withdraw the application of canceling the Pension Contract before the contract is cancelled. The Pension Contract may be cancelled after three years has passed as of concluding the Pension Contract.
10.2 Upon cancellation of the Pension Contract the insurer shall calculate the surrender value of the insurance contract.
10.3 Surrender value shall not be paid to the policyholder, but is transferred as insurance premium of a new pension contract the policyholder has concluded to the insurer who concluded the contract.
10.4 If the policyholder submits an application to cancel the Pension Contract to the insurer, the insurer shall submit to the policyholder within five working days in writing or in a format enabling written reproduction the amount of surrender value of the Pension Contract at the moment of cancellation of the contract.
10.5.Surrender value of the Pension Contract shall be the present value of future cash-flows of the contract at the moment of calculating the surrender value or at the moment of cancellation of the Pension Contract in case provided by law. Surrender value of the Pension Contract shall not be smaller than the present value of future cash-flows of this contract, in calculation of which:
1) the guaranteed interest rate of the contract has been used and
2) the interest rate prescribed on the basis of subsection 76 (2) of the Insurance Activities Act has been used.
10.6 Calculating the present value of future cash-flows shall be based on the following aspects of this contract:
1) insurance premiums, to which fees agreed upon concluding the contract payable to the insurer with regard to fulfillment of the contract shall be added;
2) mortality indicators describing lifetime, which have the same value for men and women of the same age, which are valid at the moment of calculating the surrender value.
10.7 The insurer shall deduct from the surrender value the fee of canceling the contract set out in the price list.

11 SHARE OF PROFIT

11.1 Share of profit shall be participation of the insurance contract in the distribution of technical profit.
11.2 Technical profit shall be the profit received from the direct insurance activities of the insurer.
11.3 The insurer shall distribute at least 50% of the technical profit of pension contracts in every financial year to the policyholders and beneficiaries of the pension contracts, increasing all future pension disbursements in the financial year following the formation of technical profit. Distribution of the technical profit to policyholders and beneficiaries shall be based on the share of every pension contract in the formation of technical profit. The insurer shall increase pension disbursements every year in the amount of at least 50% of the cumulative technical profit arising from concluded pension contracts.
11.4 If future pension disbursements of a pension contract would be increased by the distributed technical profit by less than 5%, the insurer may pay out the distributed profit either to the policyholder or the beneficiary together with the next pension disbursement under the pension contract. The policyholder shall choose upon concluding the insurance contract whether pension disbursements shall be increased by the share in profit or the share in profit shall be paid out as one-off payment.
11.5 The insurer shall report to the policyholder the amount of share in profit of the policyholder of the previous calendar year by 1 July of the next calendar year at the latest.

12 PROHIBITION ON ENCUMBRANCE

Proprietary rights arising from the Pension Contract shall not be a security or encumbered in any other way, neither shall these belong to the joint property of spouses.

13 TAXATION

According to valid legislation, income tax shall be retained on the disbursements made on the basis of the Pension Contract.