



# Terms and conditions of temporary disability cover SEB Loan Protection

Effective from 01.01.2017

## Definitions

**Temporary disability cover** is the obligation of SEB Life and Pension Baltic SE Estonian Branch to pay the lender a benefit when insured event occurs.

**Insured event** is the insured person's temporary disability caused by illness or accident. A sick leave confirming temporary disability must be issued by the Estonian Health Insurance Fund.

**Sum insured** is product of the loan repayment and the insurance rate.

**Waiting period** is a 60 day period from the insurance cover start date, during which benefit is not paid out in case of insured event. Waiting period is not applicable if insured event is caused by an accident.

**Accident** is an unexpected and unforeseeable event that has occurred due to an external impact beyond the control of the insured person, the result of which is severe damage to the health of the insured person.

**Deductible period** is time after insured event for which insurance benefit is not paid. Deductible period is 30 days from temporary disability start date.

## Validity of insurance cover

1. Insurance cover start date is indicated on the policy, but is not before loan is issued.
2. Insurance cover ends:
  - upon its cancellation;
  - in instances specified in the SEB Loan Protection terms and conditions;

## Calculation and disbursement of benefit

3. Benefit is calculated from the end of deductible period for each day of temporary disability.
4. Deductible period is taken into account once per insured event.
5. The formula for calculating monthly benefit is
$$\frac{\text{sum insured} \times (\text{number of disability days} - \text{deductible period})}{\text{number of days in the month of benefit}}$$
6. The total benefit is calculated based on the loan repayment of the month prior to the insured event.
7. For an insured event that has taken place during loan's payment vacation, the benefit is calculated based on the loan repayment that was valid prior to payment vacation.
8. The benefit is calculated based on the loan interest payment of the month prior to the insured event, if the insurance contract was concluded and insured event took place during the same payment vacation.
9. Maximum monthly benefit is 1500 euros.

10. Benefit is paid for a maximum of:
  - 12 months for each insured event;
  - 24 months for all insured events taking place over a period of five insurance years.
11. Benefit is not paid after the termination of the insurance contract.
12. Benefit is not paid in advance.

## Obligations of the insured person in case of an insured event

13. If an insured event occurs, the insured person must consult a physician and notify insurer at the first opportunity.
14. The insurer may request additional documentation to prove the temporary disability, including the payment of social benefits tax.

## Exclusions

15. An insured event is not:
  - temporary disability diagnosed during the waiting period, except if it was caused by an accident;
  - temporary disability which is not confirmed by sick leave certification issued by the Estonian Health Insurance Fund.
16. Temporary disability is not an insured event, if it was caused by:
  - medically unnecessary treatment or cosmetic procedure;
  - pregnancy or birth without complications, abortion;
  - back pain which is not confirmed by an X-ray, computer tomography, magnetic resonance tomography or other similar procedure;
  - mental illness or disorder of the nervous system that has not been diagnosed by a psychiatrist;
16. The insurer may refuse to pay or it may reduce the benefit, if:
  - policyholder has knowingly provided incorrect or incomplete information at the time of the conclusion of the insurance contract or of an increase in insurance cover, and this increases the insured risk;
  - the insured person provided incorrect or incomplete information about the insured event.
17. 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 insured person 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;
  - war, act of a foreign enemy, civil war, rebellion, participation in a revolution or civil disturbances;
  - disregard for the treatment or instructions of a physician;
  - authorised treatment procedure or ingesting of medicines;
  - self-mutilation or suicide attempt;
  - intentional illegal action of the insured person.
18. The insurer may refuse to pay or it may reduce the benefit if the insured event has been caused by any of the following activities not indicated in the policy:
  - dangerous hobby such as auto or motor sport, mountain climbing or alpinism, diving deeper than 40 metres, parachuting, spelunking, aviation, except as a passenger or crew member aboard a licensed passenger airplane;
  - professional sports, participation in competitions or attempts to break a record.