Terms and Conditions of Private Managed Portfolio (UM`2009)
Unit-linked life insurance
Effective from 31.12.2009
Approved by the resolution of the Management Board of Swedbank Life Insurance SE

1. Contract

1.1 Contract means the contract entered into by and between the insurer and the policyholder, on the basis of which
• the policyholder undertakes to pay the insurance premiums and other contractual payments in the extent and pursuant to the procedure provided in the contract and
• the insurer herewith undertakes to disburse the sum insured in the cases and to the extent stipulated in the contract.

1.2 The cash value of the contract (accumulation reserve) is directly related to the value of the securities, investment risk thereof rests with the policyholder.

1.3 These terms and conditions (hereinafter the terms), an insurance application signed by the policyholder, an insurance policy signed by the insurer, the valid price list confirmed by the insurer and other annexes to the contract form integral parts of the contract.

1.4 The policyholder submits an insurance application to the insurer and insurer issues an insurance policy thereafter. The contract shall be deemed signed upon the issue of the insurance policy, the date of issue of the insurance policy shall be deemed the conclusion date. In case information in the insurance application submitted by the policyholder differs from the content of the insurance policy, the insurer shall indicate the differences in the insurance policy.

1.5 The policyholder shall have the right to withdraw from the contract within 14 days from the entry into the contract. In this case the insurer shall return the paid insurance premiums to the policyholder. In order to withdraw from the contract, the policyholder shall submit a respective written application to the insurer.

2. Insurance policy

is a document issued by the insurer confirming the conclusion of the contract.

3. Insurer

is Swedbank Life Insurance SE.

4. Policyholder and insured person

is a private person specified in the contract who concludes the contract with the insurer and s/he shall be at least 18 years old upon the conclusion of the contract.

5. Beneficiary

is (are) the person (persons) indicated in the contract to whom the insurer undertakes to pay the insurance indemnity upon occurrence of the insured event. The beneficiary shall be indicated in the insurance policy. The policyholder shall be entitled to change the beneficiary at any time, notifying the insurer of the change in writing.

6. Insured event

is the death of the insured during the effective term of the insurance cover.

7. Insurance cover

is the insurer’s contractual liability, consisting in an obligation of the insurer arising upon the occurrence of an insured event to pay the insurance indemnity.

7.1 Insurance cover shall commence from the date of entry into force of the contract indicated on the insurance policy at 00:00. Insurance cover shall apply 24 hours a day and in the whole world.

7.2 Insurance cover shall expire upon the occurrence of any of the following terms:
   a) on the date of termination of the contract at 24:00;
   b) in case of death of the insured person.

8. Insurance premium

is any contribution made on the basis of this contract.

8.1 The policyholder shall be obliged to pay the first insurance premium no later than within 14 days starting from the coming into force of the contract. The next insurance premiums will be paid at the time and in the amounts chosen by the policyholder. Minimum amounts of insurance premiums are established in the price list.

8.2 The payment schedule may be agreed upon in the contract, on the basis of which the insurer shall be entitled to submit payment claims based on direct debit order agreement to policyholder's current account. Automatic increase of insurance premium from the previous insurance premium in each following year of the contract may be also agreed upon in the respective payment schedule.

8.3 The insurance premium shall be deemed paid upon receipt of money in the current account of the insurer, if the exact reference number of the contract has been indicated in the payment order.

8.4 For the insurance premiums paid into the contract the insurer acquires fund units pursuant to the valid price list and contract investment structure.

9. Accumulation reserve

is the cash value of the contract that equals the sum of the market value of the set of fund units linked to the contract by the respective date and the unlinked insurance premiums.

9.1 The currency of the contract is the Estonian kroon. If fund units are listed in foreign currency, the insurer shall convert the price of the
unit into Estonian kroons according to the exchange rates determined by Eesti Pank [the Bank of Estonia.

9.2 If dividends or interest is paid to the securities linked to the contract, the amount of respective securities in the contract is increased within the extent of these amounts. In case no securities having distributed dividends or interest are linked to the contract at the moment of increase, the sum added will be distributed proportionally with the distribution of the investment structure of insurance premiums between different securities.

9.3 The policyholder shall take into consideration that the value of securities may increase or decrease upon investment in securities, and respectively the value of the accumulation reserve may increase or decrease.

9.4 The insurer shall not be liable to the policyholder in case the fund or the authority supervising the fund suspends quotation of the price of fund units or conducting transactions with the fund units and therefore the insurer lacks the opportunity to calculate the market value of the accumulation reserve, buy or sell the fund units linked to the contract. The insurer shall be obliged to calculate the market value of the accumulation reserve for the contract as soon as possible when the information that serves as the basis for the calculation becomes known to it.

10. Investment strategy, investment structure

10.1 Investment strategy (hereinafter the strategy) is the package of funds (set) administered by the insurer; the determination of the selection of funds and percentage distribution (hereinafter: structure of strategy) shall be based on the goals of the strategy.

10.2 The policyholder selects from among the strategies offered the strategy, which suits best his/her risk tolerance.

10.3 The policyholder is always entitled to change the selected strategy.

10.4 Strategy structure changes every day pursuant to the dynamics of the return of funds included in the strategy.

10.5 The insurer shall be entitled to change the structure of the strategy (including both the selection of funds and percentage distribution) based on the strategy prospect at all times.

10.6 The investment structure of the contract is the structure of the strategy as agreed in the contract on the respective date that determines the division of insurance premiums and accumulation reserve between the investment funds as at the respective value day.

10.7 The prices of fund units and the procedure for the conduction of transactions are described in the price list.

11. Partial withdrawal of money from accumulation reserve

11.1 The policyholder is entitled to perform the partial withdrawal of money from the accumulation reserve based on respective application. In such case the insurer will decrease the accumulation reserve by the amount disbursed (incl. income tax withheld if applicable) and the service fee established in the price list.

11.2 The minimum amount of the sum withdrawn and the minimum amount of the accumulation reserve after the partial withdrawal of money is established in the price list.

12. Insurance indemnity, disbursement of insurance indemnity

Insurance indemnity is the amount of money that the insurer shall pay to the beneficiary upon occurrence of the insured event.

12.1 In the first insurance year the amount of insurance indemnity shall be 100% of the value of the accumulation reserve and further 102% of the value of the accumulation reserve.

12.2 The beneficiary shall notify the insurer of the death of the insured person either personally or via third persons immediately after having learned about the death of the insured person. Until the notification of the death of the insured person and submission of the required documents the insurer shall not be obligated to disburse the insurance indemnity. In case the beneficiary deliberately fails to comply with the notification obligation or deliberately fails to submit the documents listed in clause 12.3, the insurer is relieved of the obligation to pay the insurance indemnity.

12.3 For making the payment of the insurance indemnity the beneficiary shall submit to the insurer the application and the following documents within 90 days from having learned of the death of the insured person:

- passport or any other identification document
- insurance policy
- transcript of the death certificate certified by a notary or local government.

The insurer undertakes to disburse the insurance indemnity within 30 days from submission of all documents provided in the contract. The insurer shall be entitled to prolong this term, if it has reasonable basis to doubt the correctness and/or sufficiency of the documents submitted for the disbursement.

12.4 Upon the death of the beneficiary within the period between the death of the insured person and disbursement, the contractual disbursement shall be made to the successors of the beneficiary unless otherwise agreed in the contract.

12.5 Upon simultaneous deaths of the insured person and beneficiary the successors of the insured person are entitled to receive the contractual disbursement unless otherwise agreed in the contract.

12.6 In case the payment is applied for in relation to the death of the beneficiary, the person entitled to receive the payment shall submit the copy of the beneficiary’s death certificate notarised or certified by the local government.

12.7 The person entitled to receive the payment of the contractual basis shall perform the obligations of the beneficiary arising from this contract, if the beneficiary has not performed his/her obligations to the insurer by the moment of his/her death.

13. Contract fees

13.1 are the pecuniary sums that the insurer is entitled to deduct from the insurance premiums paid by the policyholder and accumulation reserve pursuant to the terms and according to the procedure stipulated in the price list.

13.2 In order to deduct contract fees from the accumulation reserve, the insurer sells the fund units linked to the contract.

14. Obligations and exchange of information

14.1 Upon entering into the contract, the policyholder shall inform the insurer of all circumstances in regard whereof the insurer has requested information in writing.

14.2 The policyholder undertakes to notify the insurer of the changes in his/her contact data during the term of the contract.

14.3 The insurer is at any time entitled to request necessary information
15. Amendment of terms of contract
15.1 Amendment of the terms of contract shall be subject to the written agreement between the insurer and policyholder, unless otherwise specified in the contract.
15.2 If the policyholder applies for the amendment of the terms and conditions of the contract, the insurer is entitled to collect a service fee from the policyholder for the amendment of the contract according to the fees established in the price list or to refuse from making amendments.
15.3 The insurer shall be entitled to amend the terms of the contract unilaterally in case the amendments result either from the changes in the legislation or requirements established by a supervisory agency or changes of the operations related to the investment funds. These amendments are allowed in case being needed for the protection of the interests of the policyholder or for improving his/her situation or they are required for the protection of the interests of the insurer and do not damage the interests of the policyholder in any substantial manner. The insurer shall notify the policyholder of any changes imposing more obligations or costs on the policyholder compared to the earlier period, by sending the respective notice to the policyholder at least 30 days before entry into force of the changes. The policyholder shall be entitled to cancel the contract upon disagreement with the changes by giving the insurer a written notice to such effect. If the policyholder fails to inform the insurer of the cancellation of the contract within 30 days from sending the notice regarding the changes, it shall be deemed that the policyholder has agreed to the changes.
15.4 In case the policyholder cancels the contract related to the circumstances listed in clause 15.3, the accumulation reserve of the contract shall be disbursed to the policyholder.

16. Expiry and termination of contract
16.1 The contract shall expire upon the disbursement of insurance indemnity or upon the initiation of the policyholder.
16.2 In order to terminate the contract, the policyholder submits the termination application to the insurer. The contract expires on the date specified in the application at 24:00, but not earlier than on the workday following the submission of the application at 24:00.
16.3 The insurer shall be entitled to withdraw from the contract if the policyholder fails to pay the first insurance premium within 14 days after the entry into the insurance contract.
16.4 In case the accumulation reserve is insufficient for the coverage of contract fees, the insurer shall inform the term for the payment of the required sums. In case the policyholder fails to make payments by the term thus notified to the extent necessary, upon the expiry of the additional deadline the insurer shall be entitled to cancel the contract by giving a one month’s prior notice.
16.5 Upon termination of the contract the accumulation reserve of the contract shall be disbursed to the policyholder (pursuant to the value days indicated in the price list) from which the contract fees according to the price list and the income tax withheld pursuant to the procedure established in law have been deducted.

17. Settlement of disputes
17.1 Upon entry into and performance of the contract, the parties shall be governed by the laws and other legislation of the Republic of Estonia.
17.2 Invalidity of any individual provision of the contract due to its contradiction with law shall not cause invalidity of the entire contract or other provisions of the contract.
17.3 Issues not regulated under the contract as well as any disagreements with regard to the performance or amendment, modification and correction of the contract shall be settled by means of negotiations between the parties. Upon failure to reach an agreement, the dispute shall be settled at the court of the location of the insurer.

18. Personal data
18.1 Swedbank Life Insurance SE shall be responsible for processing of personal data.
18.2 The insurer shall proceed in processing of personal data from the Principles of Processing of Customer Data in Swedbank, which the policyholder has the opportunity to examine at the Internet homepage of Swedbank located at www.swedbank.ee. The policyholder represents and warrants that s/he has examined them and consents to them.
18.3 The policyholder shall be entitled to request the correction of his/her personal data, information regarding the data processed regarding him/her and access thereto at any time.