Seesam
VIENNA INSURANCE GROUP

# Terms and Conditions for Critical Illness Insurance No KS14

Approved by Seesam Insurance AS Latvia Branch Order No 2015/1-pa
In force from January 20th, 2015

## 1. INSURER

Seesam Insurance AS Latvia branch (hereinafter in the terms and conditions referred to as "Insurer").

## 2. POLICYHOLDER

Individual who concludes the insurance contract in his/her favour or in favour of another individual or a legal entity that concludes the critical illness insurance contract in favour of its employee(s) and employee's relatives.

## 3. INSURED PERSON

Individual (hereinafter referred to as "Insured person"), who has the Insured person's interest and in whose favour the insurance contract is concluded. The Insured person may be underage under the condition that the minor is insured together with the carer, the employee of the Policyholder and the employee has concluded the employment contract with the Policyholder. Based on the employment contract the Insured person receives the remuneration for fulfilling of employment liabilities and the Policyholder makes the tax payments. The Insured person may also be the relative of the Policyholder's employee – spouse, parents, children foster children, adopted children, brother, sister, foster parents. The relatives are included in the insurance contract only by agreement of the Insurer.

## 4. INSURANCE CONTRACT

4.1. The Insurance Contract consists of the insurance policy of the critical illness, appendixes of the insurance policy, amendments, program descriptions and insurance terms and conditions.

4.2. The Rights and liabilities of Parties of the Insurance Contract refer to the Insurer, Insured person and Policyholder.

4.3. Course for concluding of the Insurance Contract and its operation:

4.3.1. Insurance Contract is regarded as concluded and comes into force on the stated date and time under the conditions that the insurance premium is paid duly and pursuant to the conditions indicated in the insurance contract.

4.3.2. The insurance premium is set by the Insurer based on the information provided by the Policyholder and/or the Insured person. The amount of the premium and the payment procedure for paying the insurance premium is set in the insurance policy.

4.3.3. If the parties have a written agreement on the fact that the insurance premium (or its first part) is paid after the date when the contract is concluded then in this case it is regarded that the insurance contract comes in force at the day indicated in the insurance policy as the start day of the insurance period if the insurance premium (or its first part) is paid within the period and amount set by the Insurer.

4.3.4. If contrary to the payment deadline indicated in the insurance policy, the insurance premium (or its first part) is not paid in the stipulated term and amount then it is regarded that the insurance contract has not come in force starting from the day when the contract is concluded. The Policyholder is not sent a separate notification on the fact that the insurance contract has not come in force. The insured events that have taken place during this period are not being processed.

4.3.5. The payment of the Insurance premium or its first part after the deadline indicated in the insurance policy makes no obligations on taking on any responsibilities by the Insurer.

4.3.6. Any type of verbal information or verbal agreements is not binding for the Insurer. When concluding the insurance contract any article of the insurance contract's terms and conditions may be changed, excluded or amended in a written form by the mutual agreement of the Policyholder and the Insurer. If the amendment for changes in the insurance contract is made and an additional payment is set then payment has to be made until the day indicated in an invoice.

4.3.7. The insurance contract is concluded in Latvian according to the effective legislation enactments of the Republic of Latvia. If the terms and conditions of the insurance contract are translated and disputes arise due to the translation then it is regarded the insurance contract in Latvian is dominant.

4.4. Termination of the Insurance contract:

4.4.1. The Insurer and/or the Policyholder may terminate the insurance contract according to the requirements of the legislation enactments of the Republic of Latvia.

4.4.2. The termination of the insurance contract does not impact the Insurer's rights to request from the Policyholder the premium or its part for the period that the insurance contract was in force.

4.4.3. The insurance contract concluded with the individual is terminated:

4.4.3.1. If the Insured person has received a positive diagnosis of the critical illness during the waiting period, then the unused insurance premium is paid back to the Policyholder, by withholding the administrative costs according to the procedure stipulated in the Law "On Insurance Contract";

4.4.3.2. If the Insured person dies during the survival period, then the insurance premium is not paid back to the Policyholder;

4.4.3.3. When the Insurer has fulfilled all the liabilities and has paid the insurance indemnity as set by the insurance contract as the result the insured event has taken place during the insurance period.

4.4.4. The insurance contract concluded with the legal entity is terminated:

4.4.4.1. If the Insured person during the insurance period has fallen ill with any critical illness and the Insurer has paid the insurance indemnity set in the insurance contract then the insurance contract regarding this Insured person is fully terminated, however the insurance contract remains in force for other Insured persons;

4.4.4.2. If for any Insured person the insured event takes place during the waiting period then the insurance coverage for this Insured person is fully terminated, however the insurance contract regarding other Insured persons remains in force. The unused insurance premium for this Insured person is paid back to the Policyholder by withholding the administrative costs according to the procedure stipulated in the Law "On Insurance Contract";

4.4.4.3. If the Insured person dies during the survival period then this person is excluded from the list of Insured persons by making the written amendment for the insurance contract and the paid insurance premium for this person is not paid back;

4.4.5. The Policyholder informs the Insurer in a written for on the early termination of the insurance contract regarding the Insured person for whom the operation of the insurance contract is terminated. The Insurer is eligible not to add this person to this insurance contract for the second time.

4.4.6. If when terminating the insurance contract the set premium is not made in a full amount for the Insured person and the insurance indemnity is to be paid for the insured event then it is the obligation of the Policyholder to pay the remaining premium.

4.4.7. If the current payment as stipulated in the insurance contract is not paid in the indicated term and amount then the Insurer sends to the Policyholder a written Warning for late and/or insufficient insurance premium payment made with an invitation to pay the insurance premium according to the terms and conditions of the insurance contract until the date indicated in the warning. If the payment is not made the operation of the insurance contract is suspended or terminated according to the procedure stipulated in the Law "On Insurance Contract". If the insurance contract is terminated, a special notification is not sent to the Policyholder.

## 5. INSURANCE PERIOD

The duration of the insurance contract is the time the parties have agreed before concluding of the insurance contract.

## 6. THE TERRITORY OF THE INSURANCE CONTRACT

The insurance risks are in force 24/7 worldwide.

## 7. RIGHTS AND LIABILITIES OF POLICYHOLDER AND/OR INSURED PERSON

7.1. The Insured person is liable to submit a health declaration as well as to make the indicated additional medical examination required for additional evaluation of the insurance risk in the medical institution indicated by the Insurer. It is the liability of the Insured person to provide true information on the personal health conditions and on the medical examinations made.

7.2. It is the liability of the Policyholder and/or the Insured person to inform the Insurer in a written form immediately as soon as possible on all conditions that may increase the occurrence of the insured risk or amount of possible loss as well as to inform about any changes in the initially provided information. Regarding this notification the Insurer maintains the rights to include these changes in the insurance contract or not by calculating the additional insurance premium, if as the result of these changes the insurance risk increases.

7.3. It is the liability of the Policyholder and/or the Insured person to inform the Insurer about other existing valid insurance contracts that refer to the same insurance object.

7.4. If the Insured person is not the Policyholder the liability of the Policyholder it to inform the Insured person on the fact that the Insured person is insured according to the specific insurance contract and the Policyholder has agreed with the Insurer regarding these conditions and these conditions are binding to the Insured person and have to be followed by this party.

7.5. It is the liability of the Policyholder and/or the Insured person to be familiar with all requirements of the insurance contract regulations and to observe and fulfil them as stipulated by the Insurer.

7.6. The Insured person has to take care of own health condition.

7.7. The Insured person has to make the mandatory and recommended health examinations according to the effective legislation enactments of the Republic of Latvia.

7.8. The Insurer needs to be informed immediately as soon as it is practically possible but no later than within 30 (thirty) days after setting of the initial or final diagnosis by the physician in case of the critical illness on the occurrence of the insured risk by the Insured person and/or policyholder, representative of the Insured person or the beneficiary.

7.9. When the insured event takes place the Insured person needs to observe all instructions given by the treating physician.

7.10. It is the liability of the Insured person to submit all required documents requested by the Insurer for processing the claim and for taking the decision.

7.11. In the case of the death of the Policyholder and/or the Insured person or in the case of the Insured person's death it is the liability of the beneficiary or the heir to ensure the Insurer's request to find and to assess the conditions of the critical illness.

7.12. The responsibility of proving the occurrence of the insured event lies on the Insured person but in the case of Insured person's death this liability lies on the beneficiary or the heir, if the beneficiary has not been indicated in the insurance contract.

7.13. Application on the occurrence of the insured event may be submitted electronically via the website of the Insurer **www.seesam.lv** or it may be sent to an e-mail address: **veseliba@seesam.lv**. Application for receiving the insurance indemnity and other documents justifying the insured event may also be submitted at the Insurer's office in presence.

7.14. The Insured person is eligible to submit a complaint to the Insurer on the decision made regarding the indemnity within 30 (thirty) calendar days starting from the day the decision is received.

## 8. CONSEQUENCES FOR NOT FULFILLING OF THE LIABILITIES BY THE POLICYHOLDER AND/OR THE INSURED PERSON

8.1. If any activity or inactivity by the Policyholder and/or the Insured person has been or will be the reason for the deception of the Insurer then the insurance contract will be found invalid from the day it was concluded, except if the Law "On Insurance Contract" forbids that if the deception has happened as the result of light negligence. The Insurer does not return the insurance premium paid.

8.2. According to own discretion the Insurer may refuse to pay the insurance indemnity or to decrease its payment by 50 (fifty) per cent if the Policyholder and/or the Insured person has not fulfilled any of the conditions of the insurance contract or has fulfilled them partially as well as if the Policyholder and/or the Insured person has violated any effective requirements of the legislation enactments of the Republic of Latvia that refer to the insurance case, except cases when unfulfilling of such insurance contract conditions has taken place due to light negligence – in this case the Insurer acts according to the conditions of the Law "On Insurance Contract".

8.3. In case if the Policyholder or the Insured person as the result of their activity or inactivity have made a negative impact on the any rights' application then the Insurer is eligible to decrease the insurance indemnity by 50 (fifty) per cent or to refuse from paying the insurance indemnity in a full amount.

8.4. The Insurer does not pay the insurance indemnity if the occurrence of the insured risk has been caused by the malice or gross negligence of the Policyholder, Insured person, beneficiary. The paid insurance premium is not returned by the Insurer.

## 9. RIGHTS AND LIABILITIES OF THE INSURER

**9.1. Liabilities of the Insurer:**

9.1.1. In case the insurance contract is concluded Insurer hands out to the Policyholder the package of documents forming the integral part of the contract – the insurance policy, addendums of the insurance policy, description of the insurance program.

9.1.2. According to the concluded insurance contract when the insured event takes place to make the payment of the insurance indemnity to the Insured person or beneficiary according to the terms and conditions of the insurance contract.

9.1.3. To ensure the availability of the insurance terms and conditions of critical illnesses on the Insurer's website www.seesam.lv.

**9.2. Rights of the Insurer:**

9.2.1. To request from any physical person individually to fill in the health declaration before preparing of the insurance offer and to determine additional medical inspections to be made in a medical institution indicated by the Insurer in order to assess the risk and to determine the insurance premium.

9.2.2. To make sure on trustworthiness of the submitted information, occurrence of the insurance case and justification of paying the insurance indemnity by getting familiar with the medical documentation available to medical institutions and medical practitioners and/or in case of ambiguity to turn to the independent certified physician-expert chosen by the Insurer for the inspection of the health condition and/or justification of occurrence of the insured event.

9.2.3. To request to submit documents certifying the occurrence of the insured event before the decision is made regarding the indemnity in the case.

9.2.4. To refuse the payment of the insurance indemnity or to decrease it according to the procedure stipulated in these terms and conditions and in the legislation enactment of the Republic of Latvia.

9.2.5. To process the data of the Policyholder, Insured person and the beneficiary, including the sensitive data. Data processing is done pursuant to the Personal Data Protection Law. Insurer ensures secure storage of the personal data.

9.2.6. To send electronically the decision made regarding the insurance indemnity to the Insured person using contact details provided by the Insured person.

## 10. PAYMENT PROCEDURE OF THE INSURANCE INDEMNITY

10.1. The Policyholder and/or the Insured person, beneficiary or heir submits to the Insurer a written application on the occurrence of the insured risk.

10.2. Within the period of 30 (thirty) days the Insurer reviews all the received documentation and takes the decision whether the occurrence of the event of the Insured risk is the insured risk:

10.2.1. If the Insured event is found and parties have agreed on the amount of the insurance indemnity then:

10.2.1.1. The Insurer takes the decision on the payment of the insurance indemnity;

10.2.1.2. The Insurer pays the insurance indemnity within the 5 (five) working days after the decision is taken;

10.2.1.3. If parties have agreed mutually on this fact the procedure of the insurance indemnity payment can be made by both parties in a written form by composing and signing a regulation protocol for losses.

10.2.2. If the insured event is found but parties have not agreed on the amount of the insurance indemnity then:

10.2.2.1. Insurer is eligible to request additional documents for determining the amount of the insurance indemnity;

10.2.2.2. Insurer is eligible to make unilateral decision and to invite a physician-expert for determining the amount of the insurance indemnity. The conclusion of the physician-expert will be binding to both the Policyholder and the Insured person;

10.2.2.3. By assessing the physician's conclusion the Insurer takes the decision on the amount of the insurance indemnity and other disputable issues;

10.2.2.4. Within 5 (five) working days after the receiving of the signed loss regulation protocol the Insurer pays the insurance indemnity.

10.2.3. If the insured event is not found:

10.2.3.1. Then the Insurer takes the decision on refusing to pay the insurance indemnity;

10.2.3.2. The Insurer informs the Insured person, heir of Insured person or beneficiary on the decision taken within 5 (five) working days after the decision is made.

10.3. The Insurer pays the insurance indemnity to the Insured person, heir of the Insured person or beneficiary only for the insured event that is proved with the corresponding documents.

10.4. Only 1 (one) insurance indemnity is paid to the Insured person during the period of insurance.

10.5. In case if the Policyholder – physical person – has been applied divided payment for the insurance premium then the Insurer is eligible to withhold from the insurance indemnity to be paid the difference between the paid insurance premium and the full insurance premium.

10.6. In case due to the objective reasons the Insurer is not able to observe the aforesaid term then the term is extended up to six months by a notice to the receiver of the indemnity.

## 11. COURSE FOR SOLVING OF DISPUTES AND CONFIDENTIALITY

11.1. Any disputes are solved by means of the negotiations.

11.2. If the disputes have arisen based on the issue not regulated by the terms and conditions of the insurance regulations then for solving of this issue the parties will apply the enactments of the Republic of Latvia, including the Law "On the Insurance Contract" and "Law on Consumer Protection".

11.3. If parties are not able to solve the dispute by means of the negotiations then the case is given for proceeding at the court of the Republic of Latvia under the laws of the Republic of Latvia.

11.4. The dividing of the Insurance contract in articles, paragraphs and titles do not impact their legal explanation.

11.5. Unless the law stipulates otherwise the Insurer, the Insured person and the Policyholder undertakes without a written agreement not to disclose to the third parties the information that has become known during the activity period of the insurance contract or after this term. The confidentiality shall be observed for unlimited time period regardless the fact if this contract is in force. Publicly available information is not regarded as confidential if it has not become public by violating the law or the liabilities of the contract.

## 12. GENERAL EXCEPTIONS

12.1. The Insurer's liability to pay the insurance indemnity for the insured event does not come into force if the losses have been caused as the result of an exception that is envisaged by the legislation enactments of the Republic of Latvia or in the insurance contract.

12.2. The Insurer does not pay the insurance indemnity if:

12.2.1. The conditions and instructions given in the insurance regulations and program are not observed;

12.2.2. The critical illness set in the insurance program is not diagnosed according to the set criteria;

12.2.3. The Insured person has mislead the Insurer by providing false information on own health condition;

12.2.4. The cause of illness is:

12.2.4.1. The result of usage of alcohol or any narcotic or other toxic substances;

12.2.4.2. The Insured person on purpose has caused injuries, committed a suicide or its attempts;

12.2.4.3. Illegal action of the Insured person, sentencing in a prison;

12.2.4.4. Usage of medicaments or similar substances or participation of the Insured person in clinical trials;

12.2.4.5. Human immunodeficiency virus (HIV), except if it has been caused by the blood transfusion, or acquired human immune deficiency virus and any their derivatives or other illnesses after infection with HIV;

12.2.4.6. Psychic or mental problems that result in a stroke, convulsions, epilepsy or other spasmodic attacks;

12.2.4.7. Result of long-term chronic illness.

12.2.5. There are general exclusions:

12.2.5.1. Terrorism – act of terrorism or its result, regardless of any causes that due to coincidence or otherwise have facilitated occurrence of losses, damages or expenses; in the context of this condition with terrorism it is understood violence or dangerous activity threatening human life, material or intangible property or infrastructure with intention to influence any government or to keep the society or its part in fear;

12.2.5.2. In occasion of war, military invasion, civil war, revolt, revolution, rebellion, military or other power usurpation;

12.2.5.3. Global nature calamities and natural disasters.

12.2.6. In case of an individual insurance contract the critical illness takes place during the waiting period after the insurance contract has come in force;

12.2.7. During the activity term of a group contract additional Insured person is being added and for this person the critical illness starts during the waiting period;

12.2.8. The Insured person dies during the survival period after the diagnosis of the critical illness is set;

12.2.9. Instructions given by the physician are not followed;

12.2.10. The critical illness of the Insured person's child has arisen due to intentional or unintentional activities and they have been caused by parents, guardians or Policyholder indicated in the insurance policy or beneficiary;

12.2.11. If Insured person has received medical consulting and/or treatment or also has known about the diagnosed critical illness before the beginning of the insurance period.

## 13. CRITICAL ILLNESS PROGRAM

13.1. The insurance program consists of the insurance risks included in the insurance program – critical illnesses that are diagnosed at the medical institutions registered in the Register of Health Care Institutions, Enterprises, Practices and Certification of the of the Republic of Latvia and/or in the Commercial Register of the Enterprise Register of Latvia.

## 14. DOCUMENTS REQUIRED FOR THE PAYMENT OF THE INSURANCE INDEMNITY

14.1. In order to assess and to find whether the insured event has taken place the receiver of the indemnity shall submit:

14.1.1. Application on the occurrence of the insured risk as established by Insurer via www.seesam.lv;

14.1.2. Copy of a passport or another personal identification document;

14.1.3. Documents on occurrence of specific insured risk specified in the program descriptions for the corresponding risk;

14.1.4. Documents justifying and proving the first initial positive diagnosis for the Insured person and the final positive diagnosis for the illness of any of the critical illnesses approved by the physician who is indicated in the program descriptions for the diagnosed illness;

14.1.5. Copy of the Insured person's medical record and a written conclusion issued by the doctors' expertise commission indicating accurate diagnosis and the date of the setting the final diagnosis;

14.1.6. Copy of the insured person's death certificate (if the insured person has died);

14.1.7. Decision of sworn notary or court on dividing the heritage rights (if the insured person has died);

14.1.8. Statement regarding staying in a hospital indicating accurate diagnosis and the duration of stay;

14.1.9. Based on the Insurer's request additional documents proving the occurrence of the insured event;

14.1.10. Conclusion of a physician expert, by the request of the Insurer;

14.1.11. Autopsy of a deceased (costs are covered by the Insurer).

## 15. TERMINOLOGY

15.1. **Insurance object** – person's life or health.

15.2. **Insurance amount** – the sum of money indicted in the insurance contract and it is paid when the insured event occurs during the insurance period corresponding to the insured risk.

15.3. **Insurance premium** – the payment for the insurance indicated in the insurance policy.

15.4. **Insurance application** – specific template and content document as set by the Insurer filled in and submitted to the Insurer by the Policyholder and/

or the Insured to inform about the insurance object, its condition as well as other facts and conditions.

15.5. **Insurance offer** – an offer prepared by the Insurer before concluding of the insurance contract in order to inform the Policyholder on the terms and conditions of the insurance contract and/or changes in it.

15.6. **Insured risk** – event independent from the will of the Insured person as specified in the insurance contract and it is possible that this event will take place in the future. The insurance contract is in force only to those insured risks that are indicated in the corresponding insurance policy.

15.7. **Insured event** – sudden, previously unexpected event which has a causal relationship with an insured risk, free of the will of the Policyholder or the Insured and when it takes place the payment of the indemnity is envisaged according to the agreed in the insurance contract.

15.8. **Date of the insured event** – when the first positive illness diagnosis is diagnosed for the Insured person and after additional examinations during the survival period it is set as the positive and final diagnosis by the corresponding documents required in each insured event and as stated in the insurance terms and conditions.

15.9. **Initial diagnosis of the illness** – positive critical illness diagnosis for the insured risk requiring the approval in the final diagnosis.

15.10. **Final diagnosis of the illness** – approval of the initial diagnosis and it is proven with laboratory and instrumental examinations according to the conditions set for finding of the insured risk.

15.11. **Survival period** – period of 30 (thirty) days starting from the insured event's day and during this period the insured person has to be alive. If the Insured person dies during the survival period then the insurance indemnity is not paid.

15.12. **Waiting period** – first 90 (ninety) days starting from the day when the insurance contract comes in force when the insurance indemnity is not paid if during this period the Insured person has received positive initial or final diagnosis for illness of any critical illness. The aforesaid waiting period's condition is not in force if the insurance contract without a break is being extended for the next insurance period and the conditions of the insurance contract are not being changed.

15.13. **Insurance indemnity** – the insurance amount to be paid for the insured event according to the insurance contract. In case of the diagnosed critical illness the insurance amount is to be paid only once during the insurance period and after paying of the insurance indemnity the insurance contract regarding the specific insured person is terminated.

15.14. **Receiver of indemnity** – in case of the occurrence of the insured risk the receiver of the indemnity is the insured person but in case of the death the receiver it is beneficiary or the heirs of the insured person by observing the procedure stated in the legislation enactments of the Republic of Latvia for dividing of the heritage if the beneficiary is not indicated in the insurance policy.

15.15. **Beneficiary** – the person who is eligible to receive the insurance indemnity in case of the insured person's death according to the conditions of the insurance contract under a condition that the death of the insured person has taken place after the survival period.

15.16. **Child's carer** – parents or guardians to whom the child is under custody according to the terms of the legislation enactments of the Republic of Latvia.

15.17. **Physician-expert** – physician who is setting the final diagnosis for the Insured person.