

ENDOWMENT INSURANCE KTI

GENERAL INSURANCE CONDITIONS (GIC).

Version of 2023

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CUSTOMER INFORMATION ABOUT ENDOWMENT INSURANCE KTI.

This information is intended as a quick and comprehensible explanation of what endowment insurance KTI is all about. You will find the General Insurance Conditions (GIC) in the same document.

TERM LIFE INSURANCE WITHOUT SAVINGS COMPONENT

KTI insurance covers the risks of disability and/or death as the result of illness.

- › In the event of death, the insured death lump sum is paid.
- › In the event of permanent disability, the insured disability lump sum is paid. For disability levels starting at 40%, the lump sum is prorated to the level of disability. In the case of a disability level of at least 70%, the insured person will receive the full disability lump sum.
- › The insurance has no savings component and no surrender value.

Death or disability lump-sums are covered under fixed-sum insurance.

EXEMPTION FROM PREMIUMS

In cases with an extended period of occupational disability, the insured person is exempt from having to pay premiums.

- › If the insured person is occupationally disabled as the result of an illness or accident, the obligation to pay premiums ends after a waiting period of 180 days. Insurance cover remains in effect without change.
- › In cases with occupational disability starting at 40%, the premium is reduced on a prorata basis. From occupational disability levels of 70% or more, you will be fully exempt from premiums.

The premium waiver is covered under fixed-sum insurance.

SELECTABLE SUM INSURED

The sum insured on death or disability can be freely selected in increments of 10,000 francs. The minimum amount for disability or death is 10,000 francs.

KTI FOR CHILDREN

For children up to the age of 12, the maximum sum insured on death is 20,000 francs. If a child dies before having reached the age of two and a half, a maximum of 2,500 francs is paid. For children between the ages of 12 and 15, the insurer pays a death lump sum of maximum 200,000 francs. For children above the age of 15, the same sums insured as for adults apply.

PREMIUM AND PAYMENT

The total premium is the sum of the premiums for death, disability and occupational disability. The premium is calculated based on the insured lump sum and the age of the insured person. The risk increases with the person's age, and the premiums are adjusted accordingly. From the age of 56 on, the disability lump sum undergoes an annual linear reduction until the final age; in exchange, the premium is not adjusted to the increase in risk. The death lump sum, on the other hand, remains constant. The insurer can adjust the premium rates during the contract term.

BEGINNING AND END OF THE INSURANCE

The insurance application must be completed truthfully and in full. If a question was answered incorrectly or information was withheld, the insurer can terminate the insurance and refuse to pay benefits. Any subsequent changes to the circumstances mentioned in the application must be notified up to when the insurance begins. In particular, such changes include illnesses and/or accidents that occur after the application has been submitted. The insurance starts on the date shown in the policy. The person taking out insurance can revoke the application to conclude the contract or the declaration of its acceptance in writing. The revocation period is 14 days and begins when the person taking out insurance applies for or accepts the contract. The insurance normally ends on 31 December of the year of the insured person's 60th birthday or when this person dies. After a minimum contract term of one year, a KTI policy can be terminated early to the end of the current calendar year. If premium payments are in arrears, despite a reminder having been issued, the insurer can cancel the policy. In addition, the insurance ends if the insured person moves his or her residence abroad and the insurer does not confirm continuation of cover in writing. Other possibilities to terminate the insurance are laid out in the GIC and the Insurance Contract Act (VVG).

BENEFIT RESTRICTIONS

If death or disability is caused intentionally, through gross negligence, or results from an act of daring, the insurer can reduce or refuse benefits. Further exclusions and restrictions of insurance cover are laid out in the GIC (see reverse side) and the VVG.

INSURER

Your insurer is CONCORDIA Insurances Ltd, a stock corporation of CONCORDIA Group with its registered office at Bundesplatz 15, 6002 Lucerne.

YOUR CONTACT

SWICA Insurances Ltd (hereinafter referred to as "SWICA") acts as broker for CONCORDIA's endowment insurance KTI and provides customer care, issues policies, collects premiums, and manages reminders on CONCORDIA's behalf. For this purpose, it has entered into a contract with CONCORDIA.

For more information about the rights and obligations of the contracting parties, in particular regarding cover, exclusions, sums insured, premiums and data protection, please refer to the insurance application, policy, GIC and the Insurance Contract Act (VVG).

DATA PROTECTION

The controller companies listed above process data for the following purposes in particular:

- › The conclusion and processing of the insurance contract (incl. the provision of a quote):

The data is processed in order to provide a quote and/or to conclude and process the insurance contract. This includes the following purposes: processing enquiries, administering benefits, ensuring compliance with legal, regulatory and internal requirements, administering commissions, managing data, statistical analysis, assessing applications, underwriting, investigating a breach of disclosure obligations (VVG), providing information to customers, customer correspondence, collection/disbursement, advising customers, insurance cards, clarifying the insurance obligation, reviewing discounts and tackling insurance fraud. The data is stored either physically or electronically.

- › Security:

The data is processed in order to ensure the security of information. This may include the following purposes: monitoring and logging of CONCORDIA systems and networks, ensuring service continuity, fault management, testing, backup management.

➤ Marketing:

The data is used by CONCORDIA for marketing purposes. Specifically, once per year, data subjects may receive written correspondence or telephone calls from employees of CONCORDIA Insurances Ltd or a partner centre. Other marketing activities may include: determining customers' satisfaction and requirements, market research, and providing customised services. Once consent has been given, it can be revoked at any time with effect for the future. This shall not affect the legality of the processing of data from when consent was given until it was revoked.

IS ANY DATA SHARED WITH THIRD PARTIES?

Under certain circumstances, data may come into the possession of third parties (e.g. hospitals, medical experts, other insurers or authorities). The data in such cases relates to the insured persons themselves (e.g. names, addresses, contact details, insurance products) or their health (e.g. invoices, medical reports, benefit statements). Statutory and contractual obligations may also require the disclosure of data to certain recipients. Depending on the case in question, the categories of recipients may include: service providers who assist CONCORDIA with the fulfilment of the processing purposes (e.g. IT service providers, printers, partner centres), authorities, other insurers, re-insurers, external experts, third parties involved in legal disputes, and other companies belonging to the CONCORDIA group.

The data may be sent to CONCORDIA's national office in Liechtenstein. The Swiss Federal Council has ruled that the laws of Liechtenstein offer adequate protection in accordance with Art. 16 para. 2 of the Swiss Federal Data Protection Act.

WHO IS RESPONSIBLE FOR THE PROCESSING OF THE DATA?

CONCORDIA Insurances Ltd, Bundesplatz 15, 6002 Lucerne, Switzerland, is responsible for the processing of the data. The insured person may demand that CONCORDIA disclose the information provided for by the law regarding the processing of the data relating to them. CONCORDIA's Data Protection Officer can be contacted as follows: CONCORDIA, Datenschutz, Bundesplatz 15, 6002 Lucerne, info@concordia.ch or +41 41 228 01 11.

You can find extensive information in CONCORDIA's data protection statement at www.concordia.ch/datenschutz.html.

ENDOWMENT INSURANCE KTI FLEXIBLE PENSION (PILLAR 3B) GENERAL INSURANCE CONDITIONS (GIC).

I. SUBJECT OF THE INSURANCE

ART. 1.1 INSURED RISKS

Endowment insurance KTI is a form of flexible pension (Pillar 3b) that offers protection against the economic consequences of death or disability as the result of illness.

If the insured person is occupationally disabled for more than 180 days as the result of an illness or an accident, exemption from the obligation to pay premiums applies. KTI is a form of pure risk insurance. Its premiums do not include a savings component, which means the insurance has no surrender value and pays no benefits when the policy matures, except in the case of disability and occupational disability. The death and disability lump-sums and the premium waiver are covered under fixed-sum insurance.

The insurance is valid worldwide.

ART. 1.2 INSURED LUMP SUM

Art. 1.2.1 A death lump sum and/or a disability lump sum can be insured for every insured person.

Art. 1.2.2 The amount of the insured lump sum per risk is defined in the policy. The amount is at least 10,000 francs on death and at least 10,000 francs on disability. Until the insured person reaches the age of 12, at maximum 20,000 francs can be insured on death.

Art. 1.2.3 The insured death lump sum remains constant until the contract ends.

Art. 1.2.4 The insured disability lump sum remains constant until the end of the calendar year in which the insured person reaches the age of 55. It then undergoes an annual linear reduction (rounded to the nearest 5,000 francs in each case) until the final age is reached.

Art. 1.2.5 If a part of the disability lump sum is paid out, the other part remains insured. It is not possible to reinstate or increase the original insured lump sum.

ART. 1.3 ILLNESS

An illness is defined as a medically and objectively identifiable physical, mental, or psychological impairment of a person's health that is not the consequence of an accident and that requires medical examination and treatment.

ART. 1.4 ACCIDENT

An accident is defined as a sudden, unintended and damaging effect of an unusual external factor on the body that results in physical, mental or psychological impairment a medically and objectively identifiable, or that leads to death. The definition of accident also includes

- health impairment from involuntary inhalation of gases or vapours, or from unintentional consumption of poisonous or caustic substances;
- dislocations, sprains, and the tearing of muscles and tendons due to a sudden exertion;
- freezing, heatstroke, sunstroke, and health impairment from ultraviolet radiation, except for sunburn;
- involuntary drowning.

There is no entitlement to benefits if death or disability is caused by an accident or a physical injury that is similar to an accident. If there are multiple causes, the insurance pays benefits in the amount that excludes the portion attributable to the accident.

ART. 1.5 OCCUPATIONAL DISABILITY

Occupational disability is defined as a condition resulting from an illness or accident whereby

- a gainfully employed insured person is no longer able to work fully or partially in his occupation or in another occupation that can be reasonably expected. Another occupation is deemed to be reasonable if it matches with the insured person's abilities and position in life, even if the person has to retrain in order to acquire the necessary skills.
- an insured person who is not gainfully employed or in training is fully or partially restricted in the activities he was able to perform up to this time.

ART. 1.6 DISABILITY

Disability is defined as occupational disability that can be expected to last until the end of the person's life. It is recognised by the insurer if

- › continued medical treatment is not expected to lead to a significant improvement in capacity for work and the person will remain occupationally disabled despite reintegration measures, and
- › the condition has lasted for at least twelve months. If disability is confirmed in less than twelve months, the insurer can recognise it earlier.

ART. 1.7 HOW THE INSURER ESTABLISHES A CONDITION

The insurer relies on a recognised or appointed proxy in Switzerland or the Principality of Liechtenstein to conduct an assessment in order to establish whether occupational disability or disability exists, as well as its start, degree and duration.

In the case of gainfully employed persons, the level of occupational disability or disability is assessed on the basis of the person's lost earnings, whereby the income achieved prior to the disability is compared to the income the person achieves, or could be expected to achieve in a stable labour market, after the onset of the occupational disability. In the case of gainfully employed persons with irregular or highly fluctuating income or those who are self-employed, the average income subject to AHV contributions achieved during the 36 calendar months prior to occupational disability is used as the basis.

For persons who are not gainfully employed or who are in training, the level of occupational disability or disability is assessed based on a comparison of activities, whereby the activities the insured person is able to perform in his field before the onset of occupational disability are compared against those that can be performed or could be reasonably expected after the disability has set in.

II. PARTIES TO THE CONTRACT

ART. 2.1 WRITTEN FORM AND TEXT FORMS OF EQUAL VALIDITY

In principle, other forms that enable text-based verification are deemed equivalent to the written form. The insurer can add further conditions to the other forms to make them equally valid. The above is subject to mandatory statutory provisions and relevant case-law decisions. The use of such other forms may entail increased risks in connection with data protection. The insurer accepts no liability for conduct that the person taking out insurance is responsible for.

ART. 2.2 PARTIES

The following persons are parties to the insurance contract:

- › **The person taking out insurance** is the person who submits the application, concludes the insurance and is the contracting party of the insurer.
- › **The insured person** is the person whose life or capacity for work is insured. This can be the applicant himself or another person.
- › **The beneficiaries** are those persons or institutions who the person taking out insurance designates to receive the insured benefits in whole or in part.
- › **The person paying the premium** is the person taking out insurance, unless another person has undertaken to pay the premiums.
- › **The insurer** and contracting party of the person taking out insurance is CONCORDIA Insurances Ltd.
- › **The client adviser** acting on behalf of the insurer is SWICA Insurances Ltd ("SWICA").

SWICA can advise persons taking out insurance, insured persons, persons paying the premium, and beneficiaries in all matters relating to KTI insurance, as well as send and receive notifications to and from them. The insurer can also instruct SWICA to carry out tasks in connection with managing the insurance.

ART. 2.3 NOTIFICATIONS

Notifications are deemed legally valid if sent to SWICA's Head Office or to the agent shown on the policy.

The insurer or SWICA sends its notifications to persons taking out insurance, insured persons, persons paying the premium, as well as beneficiaries in writing at the most recent address it has on file.

Notifications can also be sent electronically. In this case, the insurer can add conditions so that notifications are deemed to have been delivered. Persons taking out insurance who live outside Switzerland or the Principality of Liechtenstein must designate a representative in their respective country to whom the insurer or SWICA can send all notifications in a legally valid manner.

III. BASIS OF THE CONTRACT

ART. 3.1 APPLICABLE PROVISIONS

The following documents, in order of precedence, constitute the legal basis of the insurance contract:

- › the insurance application, the completed questionnaire and any medical reports that may be needed, as well as any further information provided for the risk assessment,
- › the provisions of the insurance policy and any addenda or special conditions,
- › the General Insurance Conditions (GIC),
- › the Federal Insurance Contract Act (ICA) of 2 April 1908, if a particular circumstance is not expressly defined in the contract.

If individual documents prove to be contradictory in the interpretation of the contract, the provision in the higher ranking document prevails.

ART. 3.2 DEFINITIVE AGE

Wherever these GIC or the premium rates refer to the insured person's age, the difference between the calendar year in question and the year of birth counts as the definitive age.

ART 3.3 INSURANCE YEAR

The insurance year is the same as the calendar year. The first insurance year lasts from the start date of the insurance until the end of the same calendar year.

IV. CONCLUSION OF THE CONTRACT

ART. 4.1 PLACE OF RESIDENCE AND AGE OF ADMISSION

In order to be eligible for insurance, a person's place of residence must be in Switzerland or the Principality of Liechtenstein. He or she can be insured at the earliest from the first day of the month after birth. It is not possible to purchase new insurance or to increase the insured lump sum after the start of the calendar year in which the insured person reaches the age of 56.

ART. 4.2 APPLICATION

The person taking out the insurance must complete the application fully and truthfully, sign it and submit it to the insurer. The insured person or his or her legal representative must answer the questions about health and other risk characteristics fully and truthfully. SWICA uses these documents to inform the insurer about these persons' requests for enrolment.

The person taking out insurance is bound by his or her application for 14 days; if a medical examination is required, the period is four weeks, unless they have specified a shorter period or withdrawn the application.

ART. 4.3 REVOCATION

The person taking out insurance can revoke the application to conclude the contract or the declaration of acceptance in writing. The revocation period is 14 days and begins when the person taking out insurance applies for or accepts the contract.

ART. 4.4 NOTIFICATION OBLIGATION AND CONSEQUENCES OF ITS VIOLATION

The person taking out insurance and the insured person or their representative must notify the insurer throughout the enrolment procedure about any risk-relevant circumstances that are or should be known to them.

The notification obligation is deemed to have been violated if the person taking out insurance or the insured person or his or her representative withholds or falsifies relevant circumstances they were asked about in writing and which they knew or should have known about when answering the questions. In particular, relevant circumstances refers to information about current or prior illnesses or the consequences of an accident.

The insurer can terminate the contract in writing within four weeks from the date on which it became aware of a violation of the notification obligation. In this case, its obligation to pay benefits no longer applies for prior claims whose occurrence or scope was influenced by the relevant risk circumstances that were withheld or falsified. In the case of policies that came into effect up to 1 January 2006, the obligation to pay benefits for loss that already occurred ends in every case and the insurer is entitled to a reimbursement of any benefits that were paid. There is no entitlement to a reimbursement of premiums.

ART. 4.5 OBLIGATION TO NOTIFY A CHANGE OF CIRCUMSTANCES BEFORE INSURANCE IS PURCHASED

If, after the questions have been answered and before the insurance begins, circumstances change that would significantly increase the risk, the applicant and the insured person or their representative must inform the insurer immediately in writing and supplement or correct the answers to the questions. The insurer has the right to withdraw from the contract if the risk has increased or the notification obligation has been violated.

ART. 4.6 INCREASED INSURANCE

An increase in the sum insured is deemed to be the same as a new contract.

V. BEGINNING, TERM AND END OF THE INSURANCE

ART. 5.1 BEGINNING OF COVER

The decision to accept the insurance application rests with the insurer. The insurer can accept the application without change, implement provisos, request higher premiums for special risks, defer the application, or reject it altogether. Insurance cover becomes effective on the start date defined in the policy.

ART. 5.2 CONTRACT TERM

The insurance terminates no later than at the end of the calendar year in which the insured person reaches the age of 60 (final age).

ART. 5.3 TERMINATION

At the earliest one year after the insurance starts, the person taking out insurance can terminate the contract early to the end of the current calendar year or reduce the sum insured by notifying the insurer in writing.

ART. 5.4 END OF INSURANCE

The insurance ends

- › with the death of the insured person,
- › on full disability of the insured person, provided that death is not insured,
- › on reaching the final age.

The insurance ends early if the

- › person taking out insurance withdraws the application,
- › person taking out insurance terminates it,
- › insurer terminates it due to a violation of the notification obligation,
- › insured person moves their place of residence outside of Switzerland or the Principality of Liechtenstein,
- › premium is unpaid when the reminder period ends.

VI. RESTRICTIONS IN INSURANCE COVER

ART. 6.1 GENERAL

Entitlement to benefits does not apply in the event of

- › death, occupational disability or disability caused by the effects of ionizing rays or nuclear energy;
- › death or disability from occupational illnesses as defined in the Federal Law on Accident Insurance (UVG);
- › refusal or obstruction of investigations, enquiries or measures to reintegrate the insured person into working life as requested by the insurer;
- › deployment in UN peacekeeping missions;
- › participation in a war, in warlike acts or in civil commotions. The provisions of Art. 13 on military service, war and civil commotions apply;
- › the consequences of a premeditated crime or an offence that the insured person commits or attempts to commit. Premeditation refers to an act the insured person commits intentionally and wilfully, or one that he considers possible and accepts..

ART. 6.2 INTENTIONAL ACTS

There is no entitlement to benefits if the insured person

- › commits suicide or becomes incapacitated or disabled from attempted suicide within three years from the date when the insurance begins, increases or is reinstated,
- › causes the occupational disability or disability intentionally.

This applies also if the insured person causes the actions leading to the death, occupational disability or disability while not of sound mind.

ART. 6.3 GROSS NEGLIGENCE AND HIGH-RISK ACTIVITIES

The insurer can reduce the benefits if an insured event is caused through gross negligence. Gross negligence refers to conduct whose consequences are not taken into account because of a disregard for or absence of the necessary due care and while ignoring even the most basic precautionary measures that any sensible person would have taken when faced with the same situation and circumstances.

If the insured event is the consequence of one or several high-risk activities, the insured benefits will be reduced, or refused in particularly serious cases. High-risk activities refers to actions in which the insured person exposes himself to particularly high risk without taking or being able to take precautions that would reduce the risk to a reasonable level. Attempts to rescue others are insured even when such acts are to be considered as high-risk activities.

ART. 6.4 ON DEATH OF A CHILD

The insurer pays at maximum the following amounts on the life of an insured child in the event of death:

- › 2,500 francs if the child dies before the age of two and a half,
- › 20,000 francs from all policies in effect if the child is between the ages of two and a half and twelve,
- › 200,000 francs if the child dies before reaching the age of 15.

VII. PAYMENT OF BENEFITS

ART. 7.1 ON DEATH

Entitlement to the death lump sum arises if the insured person dies while the insurance cover is in effect.

If the insured person dies after a part or all of the disability lump sum has been paid, the insured death lump sum will also be paid if at least six months have passed from the date on which the disability began and the date of the insured person's death. If death occurs earlier and the insured death lump sum is larger than the disability lump sum that has already been paid, the difference between these amounts will be paid. The full death lump sum will be paid if the cause of death is in no way related to the cause of disability.

ART. 7.2 ON DISABILITY

If the insured person becomes disabled while insurance cover is in effect, entitlement to the disability lump sum is contingent on the level of disability.

In this case, a disability level of 70% results in entitlement to the full lump sum; a disability level below 40% results in no entitlement.

Disability level	Entitlement as % of the full insured lump sum
0–39%	0%
40–49%	25%
50–59%	50%
60–69%	75%
from 70%	100%

ART. 7.3 EXEMPTION FROM PREMIUMS ON OCCUPATIONAL DISABILITY

Art. 7.3.1 If the insured person is incapacitated for work for more than 180 consecutive calendar days during the insurance term due to accident or illness, the insurer will cover the further premiums and release the person taking out insurance from the obligation to pay the premiums.

Art. 7.3.2 The waiting period of 180 days starts over each time that the person is again able to work, unless the occupational disability repeats itself from the same cause within twelve months.

Art. 7.3.3 Entitlement to exemption from premiums is determined based on the degree of occupational disability as follows:

- › Occupational disability below 40% results in no entitlement.
- › Occupational disability between 40% and 70% results in entitlement as a prorated percentage of the level of the occupational disability.
- › Occupational disability of at least 70% results in full entitlement to exemption from premiums.

Art. 7.3.4 The person taking out insurance who claims exemption from premium payments in connection with occupational disability must notify the insurer no later than one month after the waiting period ends and submit the required documents.

Art. 7.3.5 In case of late notification, the insurer can deny exemption from premiums for the period of late notification, unless the delay was not caused culpably, given the circumstances.

Art. 7.3.6 The person taking out insurance continues to owe the premiums until the insurer makes the decision. Any excess premium amounts paid will be refunded.

ART. 7.4 ADJUSTMENT TO THE LEVEL OF OCCUPATIONAL DISABILITY OR DISABILITY

The insurer must be informed immediately of any change in the level of occupational disability or disability. The insurer has the right to review the occupational disability or disability level at any time.

Exemption from premiums is adjusted or suspended in accordance with a change in level. The adjustment takes effect on the day on which the degree of occupational disability changes. Any excessive benefit amounts obtained as the result of changes in the degree of disability or occupational disability must be refunded. Any short-fall in premium must be paid retroactively.

ART. 7.5 BASIS FOR ENTITLEMENT

Art. 7.5.1 The insurer reviews entitlement to insurance benefits when all the necessary documents have been submitted. All of the following documents must be submitted in order to establish entitlement to benefits:

on death:

- › the original insurance policy,
- › the completed application for benefits,
- › the family register or family certificate,
- › an official death certificate,
- › a medical certificate.

on disability:

- › the original insurance policy,
- › the completed benefits application,
- › a report by the doctor about the cause, course and duration of the disability.

on occupational disability, at the latest one month after the waiting period ends:

- › a detailed medical report about the illness or consequences of the accident and the disability level, as well as
- › a description of the activity the insured person performed before the occupational disability set in.

Art. 7.5.2 The insurer has the right to request or collect of its own accord further information and evidence and to require the insured person to undergo a medical examination at any time. The insured person's doctors are released from their professional secrecy obligations towards the insurer.

Art. 7.5.3 The documents and evidence must be submitted in German, French, Italian or English. If documents or evidence are submitted in another language, the insurer can require the eligible claimant to provide a translation that has been officially certified in Switzerland or the Principality of Liechtenstein.

Art. 7.5.4 Claims under the insurance contract become time-barred five years after the circumstances occurred on which the benefits obligation is based.

ART. 7.6 PAYMENT

Insurance benefits are paid in Swiss francs (CHF) to an account designated by the beneficiary with a bank in Switzerland or the Principality of Liechtenstein or to an account with Swiss Post.

If a pledge is in effect, the insurer is permitted to pay the benefits that are due only with the pledge holder's written consent.

VIII. BENEFICIARY CLAUSE

ART. 8.1 BENEFICIARIES

Art. 8.1.1 Unless other provisions prevail, the order of beneficiaries applies as follows:

1. the insured person,
2. in the event of his or her death, the insured person's spouse or registered partner,
3. in the absence thereof, the insured person's children; if none,
4. the insured person's parents; if none,
5. the insured person's remaining legal heirs, to the exclusion of the community.

Art. 8.1.2 In the absence of any beneficiaries, the insurer will pay the funeral expenses up to 10% of the insured death lump sum, at minimum 2,500 francs.

Art. 8.1.3 The person taking out insurance can change the order of beneficiaries, exclude beneficiaries, or designate other beneficiaries at any time until the insurance benefit is paid, unless he or she has previously added an irrevocable beneficiary clause. He or she can also add a beneficiary clause in a will, an inheritance contract, or an informal unilateral declaration of intent. The person taking out insurance cannot be represented for this purpose.

Art. 8.1.4 The person taking out insurance must direct such notifications to the insurer in writing and designate the beneficiary unambiguously by name (another text form that in principle is equivalent to the written form is invalid). Legal entities can also be designated as the beneficiary.

Art. 8.1.5 The person taking out insurance can add an irrevocable beneficiary clause. For this, he or she must confirm in the policy the intent to refrain from revoking the beneficiary clause with his or her signature and provide the beneficiary with a copy.

ART. 8.2 BENEFICIARY CLAUSE IN THE CASE OF BANKRUPTCY OR PLEDGE

Art. 8.2.1 If the person taking out insurance has signed an irrevocable beneficiary clause, entitlement to benefits arising from this clause is exempt from collection proceedings by the policyholder's creditors.

In other respects the beneficiary clause becomes invalid if benefits are pledged or bankruptcy proceedings are instituted against the person taking out insurance. However, it is reinstated if the pledge is removed or bankruptcy proceedings are discontinued.

Art. 8.2.2 If the person taking out insurance has done so on his or her own life, this person's spouse, registered partner or descendants have the following privileges, subject to any rights of lien in effect, in debt collection or bankruptcy proceedings from the proceeds of this person's assets:

- ▶ If these persons are beneficiaries, neither their entitlement to insurance benefits nor that of the person taking out insurance can become subject to enforcement proceedings. Unless they expressly reject such arrangements, these beneficiaries will assume the rights and obligations of the person taking out insurance that arise from the insurance contract.
- ▶ If other beneficiaries have been appointed, the spouse, registered partner or descendants of the person taking out insurance can, with this person's approval, request to have entitlements arising from the life insurance contract transferred to them.

ART. 8.3 ASSIGNMENT AND PLEDGING

The person taking out insurance can assign or pledge his or her entitlement to benefits. In this case the following conditions must be met:

- ▶ a written pledge or assignment contract must exist between the person taking out insurance and the pledge holder or party now entitled (another text form that in principle is equivalent to the written form is invalid),
- ▶ the policy must be transferred to the pledge holder or party now entitled, and
- ▶ written notification sent to the insurer (another text form that in principle is equivalent to the written form is invalid).

The pledge takes precedence over the beneficiary status, but the beneficiary status becomes fully effective again as soon as the pledge is removed. In the case of an assignment, the party that acquires the entitlement to insurance benefits itself becomes the eligible claimant.

IX. PREMIUMS

ART. 9.1 RATE

The premium is calculated annually and shown in the policy. The premium rates provide for risk-based age categories. If the insured person's definitive age reaches the next category, the premium will increase based on the higher risk involved.

ART. 9.2 RATE ADJUSTMENTS

The premium rates are not guaranteed. The insurer can adjust the rates if the underlying circumstances on which the premium calculation is based change significantly. The insurer must inform the person taking out insurance in writing about the new rates no later than 30 days before they come into effect. The person taking out insurance then has the right to terminate the contract in writing. If the person taking out insurance exercises this right, the insurance ends when the current insurance year ends. The insurer must receive the notice of termination no later than on the last day of the current calendar year. The contract change is deemed to have been accepted unless the person taking out insurance terminates the contract.

ART. 9.3 PAYMENT OBLIGATION

The premium is calculated annually and shown in the policy.

ART. 9.4 DEFAULT PENALTIES

If the premium remains unpaid on the due date, the person taking out insurance is notified of the consequences of default and requested in writing to pay the outstanding amount within 14 days of the stamp date of the reminder. If the reminder is ignored, insurance cover ceases on expiry of the reminder period.

If the premium is paid after the reminder period ends, insurance cover is not reinstated automatically. The insurer can refund any premiums paid in arrears, reject continuation of the insurance, request the insured person to undergo a new medical examination, or grant insurance cover under changed conditions. No insurance cover is granted for the consequence of any events that occur between the date on which the reminder period ends and the date of acceptance of the late premiums, including interest and fees.

ART. 9.5 REFUNDED PREMIUMS

The insurer refunds to the currently designated premium payer any premiums that were paid for the period following the insured person's death or disability.

Any premiums that were paid for the exemption period are refunded in full.

X. DATA MANAGEMENT

ART. 10.1 DATA PROCESSING

The insurer processes the data necessary for managing the insurance contract, in particular information about persons taking out insurance, insured persons, premium payers and beneficiaries.

ART. 10.2 DATA STORAGE

The data is stored electronically or as a hard copy.

ART. 10.3 DATA EXCHANGE BETWEEN THE INSURER AND SWICA

SWICA provides advisory services to customers. SWICA provides the insurer with the personal data that is necessary to conclude the contract. On conclusion of the contract, the insurer passes on to SWICA the data it needs in order to issue the policy, collect the premiums, send reminders and provide customer care.

ART. 10.4 DISCLOSURE OF DATA TO REINSURERS

The insurer can transfer part of the risk to a reinsurer. For this it must disclose to the reinsurer the necessary personal data.

ART. 10.5 DISCLOSURE OF DATA TO THIRD PARTIES

To manage the insurance, the insurer can engage external experts (e.g. doctors, legal experts), who in turn must comply with data protection and non-disclosure provisions. Personal data can also be obtained from or passed on to other insurance companies in connection with reviewing applications and benefit entitlement. Personal data is disclosed to third parties only with the consent of the person taking out insurance or the insured person.

XI. PLACE OF JURISDICTION

Legal action against the insurer can be taken before a court at the insurer's registered office in Lucerne or at the place of residence in Switzerland or the Principality of Liechtenstein of the person taking out insurance or the beneficiary.

XII. CHANGES TO THE GENERAL INSURANCE CONDITIONS

The General Insurance Conditions are valid for the duration of the insurance. If the insurer changes the General Insurance Conditions of endowment insurance KTI during the contract term, the insurer must, at the request of the person taking out insurance, review the extent to which the new General Insurance Conditions can be applied.

XIII. MILITARY SERVICE, WAR AND CIVIL COMMOTIONS

ART. 13.1 MILITARY SERVICE IN TIMES OF PEACE

Military service in times of peace is defined as active service to maintain Switzerland's neutrality and ensure peace and order within Switzerland, both excluding warlike actions, and is automatically included in the GIC.

ART. 13.2 SPECIAL CONTRIBUTION IN TIMES OF WAR

If Switzerland wages war or becomes involved in warlike actions, a single war contribution is due from the beginning of the war and payable one year after the war ends. Whether the insured person participates in the war and whether this person is in Switzerland or abroad is of no consequence.

ART. 13.3 DETERMINING THE SPECIAL CONTRIBUTION

The war contribution is intended to cover any loss caused directly or indirectly by the war, provided that the damage concerns insurance policies that are subject to these provisions. The insurer, with the approval of the Swiss supervisory authorities, establishes the extent of the war damage and the available covering funds, as well as the amount of the war contribution and the possibility of its repayment – by reducing insurance benefits, if necessary.

ART. 13.4 DEFERRAL OF BENEFITS IN TIMES OF WAR

If insurance benefits are due before the amount of the war contribution has been established, the insurer is authorized to defer a reasonable part of the payment for up to one year after the war ends. The insurer, with the approval of the Swiss supervisory authorities, determines the amount to be deferred and the interest rate that applies to this amount.

ART. 13.5 DETERMINING THE BEGINNING AND END OF THE WAR

The Swiss supervisory authorities determine the dates that mark the beginning and end of the war as defined in the provisions above.

ART. 13.6 BENEFIT ADJUSTMENTS FOR PARTICIPATION IN A WAR ABROAD

If the insured person participates in a war or in warlike actions that Switzerland itself does not wage or is not involved in and the insured person dies during such a war or within six months after peace is concluded or hostilities cease, the insurer must pay the actuarial reserves calculated on the date of death, at maximum the insured death benefit. If the insurance includes a survivorship annuity, the annuities as of the date of death apply instead of the actuarial reserves, up to the amount of the insured annuity.

ART. 13.7 ADAPTATION OF THIS SECTION

The insurer reserves the right to amend the provisions of this article, with effect on this policy, with the approval of the Swiss supervisory authorities. Furthermore, the above provisions are expressly subject to any legal and official measures enacted in connection with a war, in particular as regards the surrender of the policy.