

INSURANCE TERMS AND CONDITIONS OF SPHERE CARD ACCIDENT INSURANCE

as of 1st January 2010

that govern the accident insurance for the holders of Sphere Cards (loyalty cards) to which the accident insurance relates.

Article 1 – Opening and general provisions**1.1.**

This private accident insurance provided by Komerční pojišťovna, a. s., company address: Karolinská 1/650, 186 00 Prague 8, company registration number (IČ) 63998017 (hereinafter referred to as “the insurance company”), is regulated principally by Act No. 37/2004 Coll., the Insurance Contract Act (hereinafter referred to as “the Insurance Contract Act”) and by the collective insurance contract, entered into by and between the insurance company and EFIN, spol. s.r.o., (hereinafter referred to as “EFIN”), of which these insurance terms and conditions form an integral part.

1.2.

This insurance, as well as the rights and duties arising from it, follow the legislation of the Czech Republic. Should there be any legal disputes, the courts of the Czech Republic are the relevant courts of law.

1.3.

The Czech language is the language of communication. The decisive documents proving the occurrence of the insured event shall be submitted in Czech. Were they issued in a foreign language, a certified Czech translation must be attached to such documents.

1.4.

All amounts and payments relating to the insurance are written and paid in the currency valid in the territory of the Czech Republic.

1.5.

The relevant provisions of Act No. 586/1992 Coll., the Income Tax Act, as amended, apply to this insurance.

Article 2 - Definitions

The following terms are defined for these insurance conditions:

- a) **filing number** – a simple identification symbol, assigned to the insured by the policy holder or a person authorised by the policy holder, allowing the clear identification of the insured person in case of an insured event;
- b) **regular premium** – the premium stipulated for an insurance term;
- c) **card** – the loyalty card issued by the EFIN company for the Sphere Card loyalty programme of which the accident insurance forms a part;
- d) **insurance of the agreed sum** – insurance in which the stipulated financial amount is paid out if an insured event occurs; the amount does not depend on the occurrence or extent of the loss;
- e) **beneficiary** – the person who, due to the insured event, has the right to insurance indemnity;
- f) **insured person** – the person-card holder to whose life or health the insurance applies and whose filing number is included in the list of insured persons for the relevant insurance term;
- g) **insurance period** – the period for which the private insurance was arranged;
- h) **insurance term** – the period for which the premium shall be paid; it is always one month in this insurance;
- i) **insurance contract** – the contract for financial services in which the insurance company undertakes to provide indemnity in the stipulated scope if an insured event occurs and the policy holder undertakes to pay premiums to the insurance company; these insurance terms and conditions form an integral part of the insurance contract;
- j) **insured event** – an event constituting the insurance company's obligation to provide indemnity;
- k) **premium** – the payment for private insurance;
- l) **insurance indemnity** – the amount paid out in case of the insured event's occurrence;
- m) **policy holder** – the person who entered into an insurance contract with the insurance company and is obliged to pay premiums. In this insurance it is the EFIN company.
- n) **accident** – unexpected and sudden impact of external forces or own physical force independent of the insured person's will or unexpected, continuous and independent of the insured's will impact of high or low external temperatures, gases, fumes, radiation (excluding nuclear), electricity and poisons (excluding microbial poisons and immunotoxic substances) causing damage to the insured person's health or death during the insurance period. If the damage to health manifested itself or if the insured died after the insurance termination, the insurance company pays out the indemnity only on condition that the accident occurred

within the insurance duration or that the insured died within one year of the accident. Damage to health in this insurance means bodily damage. To eliminate any doubts, this definition does not consider the following events to be an accident – suicide, attempted suicide, intentional self-inflicted injury or judgement to declare the insured person dead. The definition of an accident also includes the following events independent on the insured's will – death by drowning, near drowning and strike of lightning.

Article 3 – Insured risks and options**3.1.**

This non-life insurance of the agreed sum covers the following risks:

- death due to the accident;
- permanent consequences of the accident.

3.2.

The insurance applies to accidents of the insured occurred within the insurance duration anywhere in the world (i.e. even outside the Czech Republic) and in the course of any activity, excluding the activities specified in Art. 9.

Article 4 – Insurance inception**4.1.**

The insurance of each individual insured person comes into effect on the first day of the calendar month indicated on the issued card or in the information enclosed to the card if, at the same time, the insured's filing number is mentioned on the list of insured persons for the relevant insurance term.

4.2.

The occurrence of the insured event and lodging of the claim by the beneficiary constitute the insurance company's right to request medical reports about the insured's state of health from the health-care facilities in which the insured was treated. The refusal to grant consent to ascertaining the state of health prevents the insurance company from providing the insurance indemnity.

4.3.

The information, which the insurance company learns when ascertaining the state of health, may be used only in relation to the settlement of the insured event.

Article 5 – Insurance termination**5.1.**

The insurance of the individual insured shall terminate:

- by death of the insured;
- by expiration of the calendar month (insurance term) in which the insured reaches the age of 78;
- by cancellation of the collective insurance contract;
- by non-payment of the premium (Art. 6.4.);
- by refusal to provide indemnity (Art. 9.5.);
- by agreement of contracting parties.

5.2.

The insurance company or the policy holder has the right to repudiate the collective insurance contract within 2 months of entering into the insurance contract. An eight-day notice period starts on the day when the notice is delivered; the collective insurance contract shall terminate upon the expiration of this period of time.

5.3.

The insurance company or the policy holder may repudiate this collective insurance contract at the end of the insurance term. The notice shall be delivered to the other contracting party no later than 2 months in advance. The collective insurance contract shall terminate upon expiration of the insurance term by the end of which the notice was given.

Article 6 - Premium**6.1.**

The premium is paid only in regular monthly amounts according to the number of filing numbers specified on the list of insured persons for the relevant insurance term.

6.2.

The premium is paid for each individual insured in the particular amount indicated in the insurance contract.

6.3.

This insurance cannot be suspended even by not paying the premium.

6.4.

Unless the premium is paid within the period of time stated by the insurance company in the premium reminder, the collective insurance contract shall be terminated without any compensation on the day specified in the premium reminder. The insurance company has the

right to demand premiums until the day when the collective insurance contract is terminated.

Article 7 – Insured event

7.1.

The insured event is:

- death of the insured due to an accident,
- permanent consequences of an accident.

7.2.

In the case of death of the insured, the beneficiary is appointed according to provision (51) 2 and 3 of the Insurance Contract Act.

7.3.

In the case of permanent consequences of an accident, the beneficiary is the insured.

7.4.

If the insured event occurs, the beneficiary is obliged to inform the insurance company without undue delay and to submit all the required documents proving the insured event's occurrence to the insurance company:

- a) death due to the accident: Notification of insured event relating to Sphere card – Death, death certificate, a doctor's confirmation that the death incurred due to the accident or a police report describing the insured event and, possibly, other relevant documents;
- b) permanent consequences of the accident: insurance company's form "Notification of insured event relating to Sphere card – Accident" containing a doctor's confirmation of the accident's occurrence.

7.5.

Unless the obligations specified in Art. 7.4. are met, the insurance company shall not provide insurance indemnity or it can suspend the payment of indemnity until the above mentioned obligations are fulfilled.

7.6.

The beneficiary is obliged to submit the document proving the insured event's occurrence in its original form or its certified copy. The insurance company's employee is also authorised to verify the conformity of the copy with the original. If the relevant document is issued in a foreign language, the beneficiary is obliged to submit it together with its certified copy into Czech.

7.7.

Should there be any doubts, the beneficiary is obliged to prove the insured event's occurrence to the insurance company.

Article 8 – Insurance indemnity

8.1.

Death due to the accident

8.1.1.

If the insured dies due to the accident, the insurance company pays the stipulated sum insured of CZK 100,000 to the beneficiary.

8.1.2.

If the insured dies due to the consequences of the accident and the insurance company has already provided indemnity for the permanent consequences of this accident, then only the possible difference between the sum insured against death due to the accident and the sum provided shall be paid out.

8.2.

Insurance indemnity for permanent consequences of the accident

8.2.1.

The insurance company determines the amount of indemnity for permanent consequences of the accident in compliance with the rules set in Art. 8.2.2. to 8.2.7. and according to the Classification of indemnity for harm caused by accidents and their permanent consequences issued by Komerční pojišťovna, a. s. (hereinafter referred to as "the Classification") valid at the moment of the accident's occurrence. The insured has the right to inspect the Classification at the insurance company. The insurance company has the right to complement and alter the Classification depending on progress in medical science and practice.

8.2.2.

If the accident causes permanent consequences to the insured, the insurance company pays out indemnity in the amount of a percentage share from the sum insured totalling CZK 100,000 which, in respect of individual consequences specified in the Classification, corresponds to the extent of permanent consequences after their stabilisation. If they have not been stabilised within 3 years of the injury, then they shall be assessed according to the percentage share corresponding to their state at the end of this period of time. If the Classification provides a percentage range, the amount of indemnity shall be determined in such a way that it reflects the nature and scope of the damage caused by the

accident within the given range. The amount of indemnity shall be defined by the insurance company based on the medical report concerning the examination of the insured by the medical referee. The examination aimed at the assessment of the extent of permanent consequences is arranged by the insurance company at its own expense.

8.2.3.

If one accident causes several permanent consequences to the insured, the overall permanent consequences shall be assessed by the sum of percentage amounts for individual consequences, however, up to 100% of the sum insured maximum.

8.2.4.

If the individual consequences of one or several accidents relate to one limb, organ or a part thereof, the insurance company assesses them, as a whole and at the most, by the percentage specified in the Classification for anatomic or functional loss of the relevant limb, organ or a part thereof.

8.2.5.

If the permanent consequences of the accident concern a part of the body or a bodily organ that has been damaged before the accident, the insurance company shall reduce the indemnity by such percentage that is proportionate to the extent of the previous damage set according to the Classification.

8.2.6.

If the insurance company cannot provide indemnity because the permanent consequences have not been stabilised after six months of the accident but their minimum permanent extent is already known, the insurance company pays out to the insured a proportionate advance payment upon the insured's written request.

8.2.7.

If the insured dies before the indemnity for the permanent consequences of the accident is paid out, however, not due to the consequences of this accident, the insurance company provides his/her heirs with an amount corresponding to the extent of the insured's permanent consequences at the moment of his/her death, however, with the sum insured for death due to the accident maximum.

Article 9 - Exclusions, limitations and insurance company's refusal to pay indemnity

9.1.

The person who shall have the right to indemnity upon the insured person's death, does not acquire this right if s/he causes the death of the insured by an intentional act of crime of which s/he is judged guilty by court.

9.2.

Accidents incurred as a result of the following activities are not considered insured events:

- a) the insured actively participating in motor vehicle races and competitions or in the related preparation for these as a driver or co-driver or the riding of an animal by the insured;
- b) being a pyrotechnist, professional diver, stuntman or beast of prey tamer;
- c) dangerous and risky activities, such as aqualung diving, flying in planes without motors or in gliders with an auxiliary engine, in ultralight planes, hand-gliding, paragliding, parasailing, ballooning, parachuting from planes and from heights, bungee jumping, ski jumping, ski flying and ski acrobatics, bobsleighting, skibobbing and sledding, skialpinism, skiing and snowboarding and skibobbing outside market tracks or on the marked tracks outside the specified operation time, riding snowmobiles and jet skis, snowrafting, rafting and canoeing;
- d) mountain climbing and mountain walking, i.e. walking or climbing in a terrain of UIAA 1 difficulty (hands needed to maintain balance) and higher, including climbing on previously secured tracks, trekking in a glacial or mountainous terrain outside permitted tourist tracks; activities in places more than 3,000 m above sea level even if moving in a terrain with lower difficulty;
- e) deep diving with aqualung needed;
- f) expeditions to places with extreme climate and natural conditions; to remote and vast, unpopulated areas (deserts, arctic areas, open sea etc.);
- g) professional sports activities and preparation for them – a professional sportsman is a sportsman who receives employment earnings or income from an independent gainful activity based on the performance of the relevant sports activity;
- h) participating in national or international sports competitions or preparation for them (except for chess competitions);

- i) the insured's driving of a motor vehicle without possessing the mandatory driving licence at the time of the insured event's occurrence.

9.3.

The insurance company also does not provide indemnity in the following cases:

- a) the development and deterioration of hernias and tumours of all types and origins, varicose ulcers, diabetic gangrene, aseptic inflammation of the tendon sheath, inflammation of ligaments of muscles, of bursas, synovitis, epikondylitis, prolapse of a spinal disc and related problems, including the vertebrogenic algic syndrome (even if provoked by the accident), acute vascular attack and retinal detachment;
- b) mental disorders, even if appeared as a consequence of the accident;
- c) breakdowns, epileptic fits or other seizures and spasms affecting the whole body, if they are not the result of the accident;
- d) damage to health incurred due to pregnancy, childbirth, premature birth and abortion;
- e) infectious diseases, even if transmitted due to the injury;
- f) accidents at work and job-related illnesses that are not accidents as defined in Art. 2 of these conditions;
- g) the consequences of diagnostic, medical and preventive procedures not carried out to heal the accident's consequences;
- h) if the illness deteriorates or manifest itself as a result of the accident;
- i) heart attacks or brain strokes;
- j) suicide, attempted suicide and intentional self-inflicted injury;
- k) damage to health incurred due to or in connection with a war conflict, civil war, civil unrest, uprising, mutiny, warlike event, invasion by a foreign enemy, state of war proclaimed or not proclaimed, revolutionary events, terrorist attacks (i.e. violent actions with political, social, religious or ideological motivation) or international peace mission;
- l) damage to health incurred due to the insured's active participation in civil unrest and public violence;
- m) damage to health incurred to the insured when driving a motor vehicle without possessing the required driving licence.

9.4.

The insurance company has the right to reduce the indemnity by up to one half:

- a) if the insured dies in connection with an action indicating that the insured committed a crime;
- b) if the insured dies in connection with an action by which s/he caused serious damage to the health of another or death of the other person, or otherwise seriously violated an important interest of the society;
- c) if the insured dies in consequence of consuming alcohol or other narcotic or psychotropic substances;
- d) if, upon a police officer's request, the insured person refuses to undergo medical examination or breath test governed by a special regulation and aimed at ascertaining whether the insured is under the influence of alcohol or any other addictive substance;
- e) if ascertained that the beneficiary provided about the insured event's occurrence information other than what was uncovered by the insurance company or ii such information was concealed from the insurance company.

9.5.

The insurance company may refuse to provide indemnity if the beneficiary, when exercising his/her right to the insurance indemnity, gives intentionally untrue or seriously distorted information concerning the extent of the insured event or if s/he conceals any essential information about this event. The insurance contract is terminated on the day of delivery of the refusal to pay the indemnity.

Article 10 - Surrender

No surrender payment is available under this insurance.

Article 11 – Profit sharing

No profit sharing is available under this insurance.

Article 12 - Processing of personal data of the insured

12.1.

Personal data processing in connection with the insurance contract

12.1.1.

Personal data of the insured/beneficiary, in terms of Section 4 (a) of Act No. 101/2000 Coll., governing the protection of personal data (hereinafter referred to as the "Personal Data Protection Act"), (excluding the sensitive data), provided by the insured/ beneficiary to

the insurance company in relation to entering into the insurance contract, or which the insurance company obtained in any other legal way or created by processing the data obtained in this way, will be processed by the insurance company or by an administrator, entrusted by the insurance company in compliance with the Personal Data Protection Act, in order to use this personal data within the subject-matter of the insurance company's business, i.e. for activities directly or indirectly related to insurance or reinsurance activities. In terms of Section 27 of the Personal Data Protection Act, the insurance company is entitled to transfer the personal data of the insured/ beneficiary within the necessary scope to other states for the purposes of reinsurance. The insurance company will process the insured's/beneficiary's personal data in the way and scope stipulated in the insurance contract for the period necessary to ensure all the rights and duties resulting from the insurance obligation relationship.

12.1.2.

The insurance company is entitled to process the insured's/beneficiary's personal data to the given extent and for the given purpose even without the express consent of these persons.

12.2.

When lodging his/her claim, the beneficiary grants to the insurance company, or must ensure for the insurance company, the consent to obtain information about the insured's state of health from the insurance company's contractual physicians in accordance with Section 67b (10) of Act No. 20/1966 Coll., on the care for the health of people, as amended, in order to ascertain and assess whether the insured died in consequence of the accident or whether his/her health was damaged in consequence of the accident. By this consent s/he authorises all addressed physicians, health institutions, health-care facilities and health insurance companies to disclose this information to the insurance company. Should this consent be granted by the insured during his/her life, it remains valid even after his/her death until the expiration of the relevant limitation period for lodging insurance claims and for fulfilling obligations stemming from the insurance contract, including other actions related thereto.

12.3.

The insured/beneficiary is obliged to notify the insurance company of any change in the processed personal data without undue delay.

12.4.

Personal data about the insured/beneficiary is processed to the extent in which the insured/beneficiary has provided this data in connection with: (a) using the right to insurance indemnity, (b) any contractual or any legal relationship established between him/her and the insurance company, or (c) which the insurance company has collected by other means and processes in compliance with the valid legal regulations for the following purposes: (i) purposes included within the consent of the insured/beneficiary, (ii) negotiations on the contractual relationship, (iii) performance of the contract, (iv) protection of the insured's/beneficiary's vital interests, (v) authorised publishing of personal data, (vi) protection of the rights of the insurance company, recipient or other persons involved, (vii) archiving maintained in compliance with the law, (viii) offering of business or services, (ix) transfer of the given name, surname and address of the insured/beneficiary for the purpose of offering business and services in compliance with the generally binding legislation.

12.5.

If the insured/beneficiary so requests in writing, s/he is entitled – in compliance with the valid legislation – to receive from the insurance company information on the personal data processed about him/her, the purpose and nature of processing this personal data and on the recipients of this data. In addition, the insured/beneficiary is entitled to ask the insurance company to correct the personal data if s/he discovers that it does not correspond with reality. If the insured/beneficiary discovers or suspects that the insurance company is processing his/her personal data in violation of the protection of the insured's/beneficiary's private and personal life or in violation of the legal regulations, s/he is entitled to request an explanation from the insurance company, or, more precisely, s/he is entitled to request the insurance to correct the defective situation. Regardless of preceding provisions of this Article, if the insurance company violates the duties, the insured/beneficiary has the right to contact the Office for Personal Data Protection and request to take remedial action.

Article 13 - Delivering

13.1.

The policy holder/beneficiary is obliged to inform the insurance company without undue delay about any change of his/her permanent residence address or correspondence address.

13.2.

All notifications, announcements and requests about the insurance must be made in writing in the Czech language and they become effective upon their delivery to the other contracting party.

13.3.

The contracting parties are obliged to send written documents to each other to a previously agreed or last known address of the other contracting party. The contracting parties are obliged to send written documents to each other via a holder of a postal licence (hereinafter referred to as "the post"). Written documents intended for the policy holder, insured person or beneficiaries may be delivered to these persons to their own hands through an insurer's employee or another authorised person.

The day of delivery to the insurance company is the day of the actual delivery of the written document to the insurance company's address.

13.4.

Written documents sent to the addressee by standard postal services are usually considered delivered on the third day after the proved sending of the document to the correspondence address, even if the addressee does not know about the delivery.

13.5.

Written document sent to the addressee by recorded delivery is considered delivered, if it is not a delivery in accordance with the below mentioned articles, on the eighth day after proved sending of the document.

13.6.

Written documents of the insurance company sent to the addressee by recorded delivery with delivery confirmation are considered delivered, if it is not a delivery in accordance with the below mentioned articles, on the day when the document is received and which is written on the delivery confirmation.

13.7.

If the addressee refuses to accept the written document, this document shall be considered delivered on the day it is refused.

13.8.

If the addressee is not present and the written document was deposited at the post office, it is considered delivered on the last day of the deposit period, even if the addressee does not learn about the deposit. However, if the last day of this period falls on a Saturday, Sunday or bank holiday, the following working day is considered the last day of this period.

13.9.

Written documents of the insurance company sent by post are considered delivered on the day on which the consignment is sent back to the insurance company as non-deliverable due to other reasons.

Article 14 – Correspondence address

The address for sending correspondence to the insurer: Komerční pojišťovna, a. s., Karolinská 1, 186 00 Prague 8. The address for sending the correspondence from the insurer and insured persons is the address of any branch of Komerční banka, a. s.

Article 15 – Settlement of disputes

Should there be any complaints, it is possible to contact Komerční pojišťovna, a. s., Client Service, Karolinská 1/650, 186 00 Prague 8, or the Czech National Bank (ČNB), Na Příkopě 28, 115 03 Prague 1.

Duty to inform according to Section 66 of the Insurance Contract Act:**A. Taxes**

If the insured dies due to the accident or due to the permanent consequences of the accident, the insurance indemnity is not subject to income tax (Section 4(1) of the Income Tax Act).

B.

Information about other circumstances that are subject to the insurance company's obligation to disclose information, which is regulated by Section 66 of the Insurance Contract Act, is contained directly in the text of these insurance terms and conditions.