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## INSURANCE FREE OF PREMIUM – Information Sheet

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- 1. What does it mean, to change my policy into an insurance free of premium?**
  - ➔ If you change your policy into an insurance free of premium (paid-up policy), you stop paying your premiums, and the saved-up capital continues to yield interest as long as the contract is in force.
- 2. What is the paid-up policy value?**
  - ➔ The paid-up policy value is the new sum insured, calculated on basis of the premiums paid.
- 3. When may I apply for an alteration of my policy into an insurance free of premium?**
  - ➔ If the policy term is 15 years, the contract may be changed into a paid-up policy not earlier than after the second year of insurance, provided two premiums have been paid.
- 4. In the case of an insurance free of premium, what happens with the additional rates?**
  - ➔ If your contract is changed into a paid-up policy, only the basic insurance rate (capital insurance) remains valid, all additional rates (provided there are any) will be cancelled by the date of the alteration.
- 5. Once my policy is free of premium, is it possible to recover it?**
  - ➔ Yes, every year by the main due date you may apply for recovery of your contract.
  - ➔ If the contract has been premium-free for more than six months, to recover it the person insured will have to submit to us a statement of his/her health.
  - ➔ Application forms and other blanks may be received from the internet - please refer to the download area of our homepage at [www.medlife.net](http://www.medlife.net). At request we may also send you the forms by mail.
- 6. What is better for me – to change my contract into a paid-up policy or to surrender it?**
  - ➔ In this case we would recommend to change the contract into a paid-up policy, because the paid-up policy value is always higher than the surrender value, and in addition, the contract remains valid and you have insurance coverage at the amount of the paid-up policy value.
- 7. Is it possible to surrender a paid-up policy?**
  - ➔ If your policy is changed into an insurance free of premium, your right to surrender remains unaffected. However, we would like to draw your attention to the fact that surrender is always expensive.
- 8. Which sum will I be paid at expiry of my policy?**
  - ➔ When the term of your contract ends, you will receive the paid-up policy value plus bonus.
- 9. What is the amount of payment, if the insured person dies?**
  - ➔ In the case of the insured person's death the beneficiary receives the paid-up policy value plus the bonus that has accumulated on your policy up to this date.
- 10. Where in my policy can I look up the paid-up policy value?**
  - ➔ Your original policy and also any policy endorsement contain a table which shows the paid-up policy value listed by the years of premium payment, that have passed. At request we may also send you an up-to-date policy statement containing this table.
- 11. What does it mean, if my policy is automatically changed into an insurance free of premium?**
  - ➔ If you decide not to pay your annual renewal premium, and your contract fulfills all requirements to be changed into an insurance free of premium, the alteration will be made automatically without any proposal from your side, and you will receive an endorsement confirming this change.