

Small loan insurance information sheet

This information sheet provides an overview of small loan insurance. Please also read terms and conditions of the small loan insurance.

Insurer indemnifies to the loan recipient the damages caused due to their health problems or becoming unemployed according to the terms and conditions of the small loan insurance.

The insurer is If P&C Insurance AS (hereinafter referred to as 'If Kindlustus').

The policyholder is Coop Finants AS. (hereinafter referred to as 'Coop')

The insured person is the loan recipient who is added into the list of insured persons.

Small loan insurance terms and conditions (TLCO-20221) are available at cooppank.ee



What is insured?

- **Becoming unemployed**, termination of an employment contract or release from public service as a result of the employees' lay-off, health status or employer's bankruptcy. The client's deductible is 30 days from registering as an unemployed person.
- **Temporary loss of work ability**, i.e. sick leave or care leave for a child. The client's deductible is the first 30 days of the certificate.
- **Permanent loss of work ability**, i.e. official assigning of incapacity for work.
- **Death** as a result of illness or accident.

When is the insurance valid?

- Insurance cover starts, when Coop adds the borrower to the list of insured persons.
- An exception here is the cover for becoming unemployed that commences after a 90-day wait period. Read more in the terms and conditions.
- Insurance cover ends, when Coop removes the borrower from the list of insured persons.

What is not insured?

- Illness or injury that occurred before the beginning of the insurance cover.
- Intentionally self-caused injuries, suicide, intentionally risking life.
- Becoming ill with epidemic illness where there is an epidemic of a contagious disease.
- Ending an employment relation based on mutual agreement or of one's own accord.
- Termination of economic activities of a sole proprietor.
- Other cases excluded in Article 8 of the insurance conditions.

Sums insured and indemnity limits

- Indemnity for death is up to €25,000 for all small loan agreements.
- Maximum monthly indemnity per one small loan agreement is €400.
- Indemnity for temporary and permanent incapacity for work is paid for up to 24 months and up to €9,600 per one small loan agreement.
- Indemnity for becoming unemployed is paid for up to 24 months and up to €2,400 per one small loan agreement.

How is the indemnity calculated?

- Calculations are based on the loan payment schedule valid on the date of the insurance event.
- Example of calculations for the indemnity for becoming unemployed and temporary incapacity for work:

The insured was on sick leave from 1 April to 15 May, i.e. 30 days in April and 15 days in May. The monthly payment in April and May is €300. Calculation of the indemnity:

- Indemnity for April: $300 \times (30 - 30) / 30 = 0 \text{ €}$

- Indemnity for May: $300 \times (15 - 0) / 31 = 145.16 \text{ €}$.

- Indemnity for permanent loss of work ability is paid for the period of incapacity for work: in case of partial incapacity for work 50% and in case of no work ability 100% of the monthly loan payment.
- In case of death, the outstanding loan is indemnified 100% together with the accrued interest.

Actions in case of a loss event

- A notice of loss must be filed as soon as possible through the If Kindlustus website. Enter "Coop" in the policy number field.
- If Kindlustus will send an automatic notice on registering the loss together with the contacts of the loss adjustor and further instructions.