

# Inbound Student Studying Abroad Insurance



**Dongbu Insurance**

※ This translation is done as a service for policy holder's convenience. If any cases occur, the adjustment of indemnification will be defined based upon the original insurance policy written in Korean.



# 【General Clause】



## Chapter 1 Formation and Maintenance of Contract

### Article 1 (Formation of Contract)

- ① Insurance Contract is signed by a Contractor's claim and an insurance company's consent. (Insurance Contract hereinafter noted as "Contract", Insurance Contractor hereinafter noted as "Contractor", and Insurance Company hereinafter noted as "Company".)
- ② The Company shall refuse assent or add conditions (limit for a premium, exclusions of insurance coverage, cutbacks in insurance, extra charge to insurance, etc) in the event that the insured (insurant) does not conform to this Contract.
- ③ In the event that the Company receives a claim for the Contract and takes the 1st premium, the Contract without a medical examination should accept or refuse the claim within 30 days of the claim date, and the Contract with a medical examination (hereinafter noted as "Diagnosis Contract") within 30 days of the diagnosis date (in case of re-diagnosis, the final diagnosis date), and if accepted, an Insurance Policy shall be presented. However, if notice of acceptance or refusal is not sent within 30 days, it shall be regarded as accepted.
- ④ In the event that the Company takes the 1st premium and refuses assent, the amount received with notice of refusal shall be returned to the Contractor and 'a fixed deposit rate + 1%', which KIDI (Korea Insurance Development Institute) announces officially, computed at annual compound interest during the period that the Company receives premiums shall be added and provided. However, in the event the Company refuses assent to the Contract that the Contractor pays for the 1st premium with a credit card, the Company shall cancel the credit card transaction and shall not pay interest.

### Article 2 (Withdrawal of Claim)

- ① Contractor may withdrawal claim within 15 days of the claim date. However, a diagnosis contract, a wholesale insurance contract, or a contract with less than one-year period of insurance may not cancel a claim. Insurance Contracts (hereinafter called "Telemarketing Contract"), with the use of communication media such as phones, mail and computer (however, the Contract with more than one year term of insurance period only) may withdraw the claim within 30 days of the claim date.
- ② When the Contractor withdraws a claim, the Company reimburses premium paid to the Contractor within 3 days of the date that the Company accepts the withdrawal of the claim, and during the term from the next day of the day for return until the appointed date for return 'a fixed deposit rate + 1%', which KIDI announces officially, computed at annual compound interest shall be added and provided. However, in the event the Company cancels a claim of the Contract that the Contractor pays for the 1st premium with a credit card, the Company shall cancel the credit card transaction and shall not pay interest.
- ③ In the event the Contractor does not know the reason for insurance payment even if reasons for insurance payment occur when the Contractor withdraws a claim, the withdrawal of a claim shall not be effective.

### **Article 3 (Issue of Clause and Obligation to Explain)**

①In the event of a Contractor's claim, the Company gives the Contractor Insurance Policy and a copy of claim application for the Contractor and explains important terms. However, with respect to Telemarketing Contract, the Company may select one of methods listed below with the Contractor's consent.

1. Send Insurance Clause or a copy of claim application for the Contractor by means of electronic ways such as optical recording media or e-mail. The appropriate clause or a copy of claim application for the Contractor is considered to be sent when the Contractor or his/her attorney receives it.

2. Read or download clauses and explanation in Cyber mall (virtual office set for computer-based insurance transaction). In the event of the confirmed Contractor's reading or downloading, the appropriate clause is considered to be provided and the important contents are considered to be explained.

3. Ask or explain important matters for signing a Contract such as details of a claim, premium payment, period of insurance, obligation to inform before the Contract, important terms by phone. By recording the Contractor's answer and confirmation, important clauses are considered to be explained.

②In the event the Company neither gives the Contractor Insurance Policy and a copy of claim application for the Contractor according to Clause 1, nor explains important terms, or the Contractor does not sign his/her signature (including seal on the claim application or electronic signature certified by public certificate authority pursuant to Article 2, Item 10 of Electronic Signature Law) on a claim application in case of conclusion of a Contract, the Contractor may cancel the Contract within 3 months after the claim date. However, with respect to Wholesale Insurance Contract, this Contract may be canceled within one month of conclusion of the Contract.

③In spite of Clause 2, in the event that the Contract is signed by phone, the Contractor may skip the signature if the followings meet Item 1, and when confirmation of voice recording specified Clause 1, Item 3 is given to the Contractor, a copy of claim application for the Contractor is considered to be sent.

1. If the Contractor, the insured (insurant), and a beneficiary on the Contract are same.

2. If the Contractor and the insured (insurant) are same and an insurance beneficiary (person who receives insurance) is the Contractor's a legal heir

④In the event the Contract is canceled according to Clause 2, the Company reimburses paid premium to the Contractor, and a fixed deposit rate, which KIDI announces officially, computed at annual compound interest during the period that the Company receives premiums shall be added and provided.

### **Article 4 (Cancelation of Contract)**

In the event any of the followings apply to the Contractor, this Contract shall be invalid and the paid premium is reimbursed. However, if the Contract is invalid due to the Company's intention or mistake and the Company does not reimburse the paid premium and the Company

canor knows void contract before the Company accepts, the Company reimburses premiums plus a fixed deposit rate, which KIDI announces officially, computed at annual compound interest from the next day of the date of money paid until the date for reimbursement.

1. In the event there is no the insured (Insurant)'s written consent until the conclusion of a contract covering another's death benefit. However, the Contract that designates all or some members as the insured (insurant) in accordance with bylaws shall be excluded.

2. In case of a person under age 15, a mentally handicapped person, or a weak-minded person's death, a death benefit is a reason for compensation in the Contract.

3. In the event the insured (insurant) is younger or older than the age designated in the Contract. However, except that the Contractor already reaches the age specified in the Contract when the Company finds a mistake of the age, no exceptions to those under 15 are allowed.

#### **Article 5 (Changes in Contract)**

①Contractor may change the followings with the Company's consent. In this case, the Company informs the consent in writing or writes it on the back of Insurance Policy.

1. Types of Insurance

2. Period of Insurance

3. Insurance payment cycle, Collection methods, and Payment period

4. Contractor and the Insured (Insurant)

5. Other terms including Premium

②Contractor may change an insurance beneficiary (person who receives insurance) without the Company's consent. However, in the event the Contractor changes an insurance beneficiary without giving the Company notice, the beneficiary cannot exercise his/her right to the Company after the change.

③If the Contractor requests changes in the type of insurance as a valid Contract that has been one or more years since the 1st premium, the Company shall change the type according to the Company's standard regulations.

④If the Contractor wants to reduce premium in accordance with the provision of Clause 1, Item 5, the Company regards the reduction as the cancelation of a Contract and hereby in the event the Company has to reimburse insurance, the Company shall provide it to the Contractor pursuant to Article 17 (Reimbursement of Insurance).

⑤Contractor may change an insurance beneficiary (person who receives insurance) according to Article 2 with the insured (Insurant)'s written consent before the occurrence of reasons for insurance.

#### **Article 6 (Contractor's Arbitrary Termination and Withdrawal of the Insured (Insurant)'s Written Consent)**

①Contractor may cancel the Contract anytime before the discharge of the Contract, and in the event there is insurance to be reimbursed by the Company, the Company shall provide it to the Contractor according to Article 17 (Reimbursement of Insurance).

②If the premium is not reduced when the Company provides insurance due to the reason for insurance payment, the Contractor may cancel the Contract even after reasons for insurance occur.

③Under Article 4 (Cancellation of the Contract), the insured (insurant) who signs a Contract covering a death benefit may cancel the written consent anytime for the future during the validity of Contract, and in the event the Contract is canceled by withdrawal of the written consent and there is insurance to be reimbursed by the Company, the Company shall provide this to the Contractor in accordance with Article 17 (Reimbursement of Insurance).

#### **Article 7 (Discharge of Contract)**

①In the event that reasons for insurance specified in this clause no longer occur due to the insured (Insurant)'s death, then this Contract loses its effect.

②Even if the insurance is compensated for more than 80% disabilities, this Contract shall not lapse in the event that reasons for insurance payment specified in this clause are additionally generated.

#### **Article 8 (Insurance Age)**

①The insured (Insurant)'s age is based on insurance age mentioned this clause. However, Article 4 (Cancellation of Contract), Item 2 applies actual full-age.

②The insurance age of Clause 1 is based on the insured (insurant)'s actual full-age as of the date of a Contract, and round off fractions not higher than 6 months to a unit and calculate 6 months and over as one year, so the age increases on the appointed date of the Contract every year.

③In the event the insured (insurant)'s age or gender is untruthful, insurance or premium shall be changed in line with the corrected age or gender.

##### **【Example of Insurance Age Calculation】**

Date of Birth : 1988, Oct 2, Present (Contract date) : 2009, April 13

⇒2009, 4, 13 - 1988 10, 2 = 20 years 6 months 11 days = 21 years old

### **Chapter 2 Payment of Premium**

#### **Article 9 (1st Premium and the Company's Commencement of Coverage)**

①Company shall compensate according to this clause after it accepts a claim of the contract and receives the first premium (regarding automatic transfer and credit card payment, in the event information necessary to apply for automatic transfer and approve credit card transaction is provided. However, if automatic transfer or credit card payment is impossible due to the Contractor's fault, the 1st premium is not regarded to be paid.). However, if the Company receives the first premium in case of a claim and accepts the claim, insurance coverage shall follow this clause since the first premium (this clause indicates the date of the 1st premium as "Commencement of Coverage" (commencement of responsibility) which is regarded as the Contract date).

②Even if the Company receives the 1st premium in case of a claim and reasons for insurance payment occur before accepting the claim, the insurance coverage shall be effective since the 1st premium according to this clause. However, in the event of any of the followings, compensation shall not be made.

1. In accordance with Article 19 (Obligation to Inform before Contract), in the event the Company proves what the Contractor or the insured (insurant) informs to the Company or that a medical examination affects the occurrence of reasons for insurance payment.
2. In the event the Company does not compensate in accordance with Article 21 (Effect of Breach of Obligation to Inform)
3. In the event the Diagnosis Contract does not receive diagnosis until reasons for insurance payment occur

③In case of renewal of a Contract, the provision of Clause 1 & 2 shall be applied on the conclusion of coverage of the existing Contract

#### **Article 10 (Premium Payment after the 2nd Premium)**

The Contractor should pay the premium after the 2nd month by the appointed date to pay (hereinafter called "Payment Date") and the Company shall issue a receipt of premium for the Contractor. However, if the Contractor pays premium through a financial company (including the post office), documents issued by the financial company replace the receipt.

#### **Article 11 (Notice of Payment and Cancellation of the Contract in case of Overdue Premium)**

①If the Contractor does not pay the premium after the 2nd month by the appointed date, the payment for insurance is overdue. The Company shall designate a period of notice of payment (if the period of notice of payment is Saturday or holiday, the period ends on the next's first weekday.) as 14 days or more (7 days for one-year or less insurance) and by written notice (registered mail), phone (voice recording) or electronic document, inform that the Contractor (in case of a Contract for other, a designated insurance beneficiary (person who receives insurance) is included) should pay late premium by the end of notice of payment and unless he/she pays premium by the last day of notice of payment, then the Contract may be canceled on the next day of the end of notice. However, the Company shall provide the agreed insurance for reasons for insurance payment generated before the cancellation of the Contract.

②If the Company likes to inform the notice of payment by electronic document according to Clause 1, it should send electronic document under the condition of check of incoming with the Contractor's written consent, and the receiving of electronic document shall not be regarded until the Contractor confirms that he receives the electronic document. In case the electronic document is not confirmed, the Company should reinform the provision of Clause 1 with written notice (registered mail) or by phone(voice recording) by designating the period of payment notice of Clause 1.

③If the Contract is canceled in accordance with Clause 1 and therefore the Company should reimburse insurance premium, the Company shall provide it to the Contractor according to Article 17 (Reimbursement of Insurance).

## **Article 12 (Reinstatement of Canceled Contract (Recovery of Validity) by Overdue Premium Payment)**

①In the event the Contract is canceled in accordance with Article 11 (Notice of Premium Payment and Cancellation of Contract in case of Delay in Payment) but the Contractor does not get a refund according to Article 17 (Reimbursement of Insurance), the Contractor may make a claim for reinstatement of cancelled contract (recovery of validity) according to the Company's procedures within two years of the date of cancellation. If the Company accepts the claim, the Contractor should pay outstanding premiums generated until the claim for reinstatement (Recovery of Validity) plus the amount computed at the interest that the Company designates for each insurance product within a fixed deposit rate + 1%, which KIDI announces officially.

②In the event of Reinstatement of Canceled Contract (Recovery of Validity) pursuant to Clause 1, Article 1 (Formation of Contract), Article 9 (1st Premium and the Company's Commencement for Insurance Coverage), Article 19 (Obligation to Inform before Contract), Article 21 (Effect of Breach of Obligation to Inform), and Article 23 (Fraudulent Contract) shall apply in this case.

## **Article 13 (Special Reinstatement (Recovery of Validity) of the Contract Canceled by Compulsory Execution)**

①With respect to a Contract for another, if the Contract is canceled by compulsory execution, foreclosure, and delinquency disposition in national tax and local tax payment regarding the Contractor's right of recourse in accordance with Article 17 (Reimbursement of Insurance), the Company should inform that the insurance beneficiary (person who receives insurance) should pay the amount, which the Company provides to a creditor due to cancellation of the Contract, to the Company with the Contractor's consent and that he can make a claim for special reinstatement (Recovery of Validity) by changing the Contractor's title to the beneficiary (person who receives insurance money) in accordance with procedures of Article 5 (Changes in Contract), Clause 1.

②The Company shall accept the claim for a transfer of the Contractor and special reinstatement (Recovery of Validity), and the Contract is especially reinstated (Recovery of Validity) from the claim.

③The Company should send notice mentioned in Article 1 to the designated insurance beneficiary (person who receives insurance). However, the Company may send notice of Article 1 to the Contractor if a legal heir is designated as the insurance beneficiary (person who receives insurance).

④The Company should send notice mentioned in Article 1 within 7 days of the cancellation date of Contract. However, if the Company's notice arrives after 7 days and the beneficiary makes a claim for a transfer of the Contractor and special reinstatement (Recovery of Validity), the Contract is especially reinstated (Recovery of Validity) on the 7th day of the cancellation of the Contract.

⑤The insurance beneficiary (person who receives insurance) can execute procedures of Article 1 within 15 days of the date when he receives notice (If notice is sent to the Contractor in accordance with Clause 3, it refers to the date when the Contractor receives the notice).

### Article 3 Payment of Insurance

#### Article 14 (Types of Insurance and Reasons for Insurance Payment)

Company shall provide agreed insurance to an insurance beneficiary (person who receives insurance) in case of any reason for either of the following.

1. In the event the Contractor has injuries (including artificial internal organs, bridgework, or equivalent case transplanted to the body to replace the function, except assistance apparatuses such as artificial hand, leg, eye and tooth due to sudden and accidental physical accidents during a period of insurance, and hereinafter called "injury") resulting in death (except death by diseases), relevant insurance specified in Insurance Policy shall be paid as a death benefit.
2. In the event the Contractor has disabilities applying to insurance of each disability described in the Classification of Disabilities (refer to **【Appendix 1】**s shown below) during a term insured, the amount calculated by multiplying agreed premium specified in Insurance Policy and insurance rates in the Classification of Disabilities shall be provided as insurance for permanent disabilities.

#### Article 15 (Detailed Provisions of Insurance Premium Payment)

①Article 14 (Types of Insurance and Reasons for Insurance Payment), Item 1 includes the adjudication of disappearance as life or death is uncertain due to missing during a period of insurance. In the event of death from reasons or injuries such as sinking of the vessel and a plane crash specified in Article 27 (Adjudication of Disappearance), Clause 2 of Civil Law is recognized by the government organization and registered in family relationship register according to the death report; the occurrence of the accidents is regarded as the time of death.

②With respect to temporary disabilities after treatment even though it is not permanent symptom in spite of Article 14 (Types of Insurance and Reasons for Insurance Payment), Item 2, the amount that multiplies 20% of insurance for relevant disabilities by premium if the symptom appears more than 5 years shall be provided.

③Unless insurance for disabilities is not fixed within 180 days from the occurrence of injuries in accordance with Article 14 (Types of Insurance and Reasons for Insurance Payment), Item 2, insurance for disabilities, which will be fixed based on a doctor's diagnosis on 180th day from the occurrence of injuries, shall be determined. However, if the disabilities get worse during the period (one year from the occurrence of injuries in the event the Contract is invalid) that can receive coverage after the determination of insurance for disabilities, insurance for disabilities shall be determined based on the worsen status of disabilities, but if the time for evaluation for disabilities is separately determined in the Classification of Disabilities, then this case shall follow the Classification of Disabilities.

④With regard to permanent disabilities that are not mentioned in Classification of Disabilities, insurance shall be determined based on the Classification of Disabilities according to the level of disabilities in a body regardless of the insured (Insurant)'s job, age, position, or gender. However, regarding permanent disabilities that do not reach the lowest insurance in the Classification of Disabilities, the insurance for permanent disabilities shall not be provided.

⑤In the event two or more permanent disabilities are caused by the same injury, the sum of insurance for permanent disabilities shall be provided. However, if criteria for each body are separately determined by Classification of Disabilities, then this case shall follow the criteria.

⑥In the event two or more disabilities specified in Classification of Disabilities occur in the same body, the higher insurance money of the disabilities not total amount shall be applied in spite of despite Clause 5. However, in the event of separate criteria for each body of the Classification of Disabilities, this case shall follow the criteria.

⑦Even if permanent disabilities caused by other injuries occur more than twice, then appropriate insurance for permanent disabilities shall be determined. However, in the event permanent disabilities are added to the same area that already receives insurance for the permanent disabilities, insurance for permanent disabilities that are the final level of disabilities minus the already given insurance for permanent disabilities shall be provided. However, in case of separate criteria for each body of the Classification of Disabilities, this case shall follow the criteria.

⑧If the insured (insurant) who has existing permanent disabilities, related to one of the following, has other permanent disabilities specified in Clause 7 in the same area, it is thought that insurance for permanent disabilities applying to one of the following is already provided so insurance for the final level of permanent disabilities minus the permanent disability insurance that is considered to be paid shall be provided.

1. Permanent disabilities that are not reasonable to pay insurance for permanent disabilities because the permanent disabilities are generated before the commencement of the Contract coverage or previously

2. Permanent disabilities that are not the reasons for permanent disability insurance according to the provision of this Contract besides Clause 1 or whose insurance for permanent disabilities is not given

⑨In the event the insured (insurant) does not conclude an agreement on his insurance for disabilities with the Company, the third party agreed by the insured (insurant) and the Company shall be selected and his advice shall be taken.

The third party shall be a specialist of a general hospital in accordance with Article 3 of Medical Law (Medical Institution), and all medical costs to diagnose disabilities shall be charged by the Company.

⑩Insurance for permanent disabilities caused by one injury which will be compensated by the Company shall be paid within insurance premium.

#### **Article 16 (Reasons for Non-Payment of Insurance)**

①Company shall not provide insurance coverage according to the followings even if there is a reason for insurance payment.

1. The insured (insurant)'s intention. However, if the insured (insurant) hurts himself when he is be non compos with a disability of decision making.

2. The insurance beneficiary (person who receives insurance)'s intention. However, if the insurance beneficiary (person who receives insurance) receives part of insurance, all the insurance except the insurance applicable to the beneficiary (person who receives insurance) shall be given to other beneficiary (person who receives insurance).

3. Contractor's intention.

4. The insured (Insurant)'s pregnant, delivery (including cesarean), and postnatal period. However, in case of the reason for insurance payment that the Company covers, insurance shall be provided.

5. War, foreign use of armed force, revolution, rebellion, and riot

②If there is no other clauses, the company shall not provide relevant insurance in case of the reasons for insurance payment related to injuries caused by the following list for the purpose of the insured (insurant)'s job, position, or club activities in accordance with Article 14 (Types of Insurance and Reasons for Insurance Payment).

1. Professional climbing (rock-climbing or ice wall-climbing using professional mountain-climbing equipment, or climbing requiring special techniques, experiences, and prior training), maneuvering of a glider, skydiving, scuba diving, and hang glider

2. Race, trial, and show (including practice) by a motorboat, a car, a motor cycle, or trial trip (However, if the reasons for insurance payment occur during a trial trip on the public road, insurance shall be compensated.)

3. The person, whose occupation is a ship's crew, fisher, or boatman, or who is on the ship as a matter of duty

#### **Article 17 (Reimbursement of Insurance)**

①In the event this Contract is invalid, loses effect, or is canceled, insurance shall be reimbursed as follows. However if insurance accidents occur during a term insured and insurance is paid so premium is reduced, insurance for the relevant insurance year [the initial year (1st year) means one year from the initial date (1st date) of an insurance period, and since the following year (2nd year) one year from the initial date (1st date) of an insurance period] shall not be reimbursed.

1. If the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) does not have responsible reasons

: In case of invalidity, total premiums paid to the Company, and in case of invalidity or cancelation of the Contract, daily based insurance during the period that does not lapse

2. If the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) has responsible reasons

: Balance that subtract insurance calculated by short rate(applied for one year or below) for elapsed time. However, in the event the Contract is canceled by the Contractor, the

insured(insurant) or the insurance beneficiary(person who receives insurance)'s intention or huge mistake, insurance shall not be reimbursed.

②If the Contract of which insurance period is over one year is invalid or loses effect, insurance of the insurance year that is included in the occurrence date of the cause for invalidity or losing of effect or the cancelation date, follows the provision of the above mentioned Clause 1 above and total insurance relevant to the following insurance year shall be reimbursed.

#### **Article 18 (Negative Prescription)**

Unless a claim for reimbursement of insurance and premium and a claim for dividend are exercised for two years, negative prescription shall be completed.

#### **【Negative Prescription】**

It is the period that loses the rights when the given rights are not exercised, in the event a claim for insurance is not made for two years after reasons for insurance payment occur, then insurance may be not provided.

#### **Article 4 Obligation to Inform before Contract**

#### **Article 19 (Obligation to Inform before Contract)**

Contractor or the insured (insurant) should honestly inform the facts about questions in a claim application (hereinafter called "Obligation to Inform before a Contract" and "Duty of Disclosure" in commercial law) in case of a claim (in case of a medical examination, with respect to Diagnosis Contract). However, with regard to Diagnosis Contract, data to decide physical conditions such as a copy of corporate or personal medical report conducted in a general hospital or a hospital described in Article 3 (Medical Institutions) of Medical Law may replace a medical examination.

#### **【Obligation to Inform before Contract】**

Obligation pursuant to Article 651. Contractor or the insured should inform important matters about the Company's questions in case of a claim and if he/she violates, he/she may suffer from disadvantages such as cancelation of the Contract or non-refund of insurance.

#### **Article 20 (Obligation to Inform after Accident Insurance Contract)**

①If the Contractor or the insured (insurant) changes his/her job or duty (e.g. change a car driver's job or duty to a commercial driver) during a period of insurance or uses a two-wheeled vehicle or a motorized bicycle continuously, he/she should inform the fact to the Company immediately.

②The Company shall reimburse the difference of insurance for reduced risks in accordance with Clause 1, and if risks increases because of the Contractor or the insured(insurant)'s

intention or gross negligence, the Company may claim increase of premium within one month after the notice or cancel the Contract.

③In the event the Contractor pays more premium pursuant to Clause 1 but delays the payment, the Company shall reduce insurance and provide according to the ratio of a premium rate (hereinafter "Premium Rate after Change") to be applied after change to a premium rate (hereinafter called "Premium Rate before Change") applied before changing his job or position. However, injuries caused by accidents unrelated to changed job or position shall be excluded.

④In the event the Contractor or the insured (insurant) does not inform the Company of any change in his job or duty due to his intention or gross negligence, and if a premium rate is higher after change, the Company shall inform the Contractor or the insured (insurant) that insurance is compensated in accordance with Clause 3 and will be provided, within one month of the date that it knows the fact.

#### **Article 21 (Effects of Violation of Obligation to Inform)**

①If the Company has any of the followings, the Company may cancel this Contract within one month of the date that it knows the fact regardless of reasons for insurance payment.

1. If the Contractor, the insured (Insurant), or his attorney violates Article 19 (Obligation to Inform before Contract) due to his intention or huge mistake and the obligation is important.
2. If the obligation to inform is not performed after the Contract in spite of the provision of Article 20 (Obligation to Inform after Accident Insurance Contract), Clause 1 related to increase in certain risks.

②In spite of Clause 1, Item 1, if the Company has any of the followings, it may not cancel the Contract.

1. If the Company knows the fact at the time of the Contract or does not know the fact due to its fault
2. If one month passes since the Company knows the fact, or the reasons for insurance payment do not occur since the first insurance is paid and two years pass (one year for the insured (Insurant) who receives a medical examination).
3. If three years pass since the conclusion of the Contract
4. If the Company accepts a claim of this Contract through basic data and is (a copy of a medical report) able to decide the insured (insurant)'s physical condition and the reasons for insurance payment occur according to contents specified in a copy of a medical report. (However, if the Contractor or the insured (insurant) write falsely important details of the basic data that he submits to the Company on purpose, this case is an exception.)
5. In the event an insurance sales man does not give the Contractor or the insured (insurant) an opportunity to inform, prevents the Contractor or the insured (insurant) from informing the truth, discourage the Contractor or the insured (insurant) from informing the truth, or encourages the Contractor or the insured (insurant) to inform faithlessly. However, even if there is no insurance sales man's action, in the event the Contractor or the insured (insurant)'s notification is considered as false or faithless, this case is not included.

③In the event the Contract is canceled before the reasons for insurance payment occur in accordance with Clause 1 and accordingly the Company has insurance to reimburse, the Company shall provide it to the Contractor in accordance with Article 17 (Reimbursement of Insurance).

④In the event the Contract is canceled after the reasons for insurance payment occur in accordance with Clause 1, Item 1, the Company shall not give insurance and shall inform the Contractor that he violates Obligation to Inform before Contract and explain the reason why the Obligation to Inform before Contract is important with a written statement. "If there is a counter-evidence, the Contractor may objections". In addition, in the event the Company has insurance to reimburse due to the cancelation of the Contract, the Company shall provide it to the Contractor according to Article 17 (Reimbursement of Insurance).

⑤In case of the cancelation of a Contract after the reasons for insurance payment occur according to Clause 1, Item 2, the damage shall be compensated in accordance with Article 20 (Obligation to Inform after Accident Insurance Contract), Clause 3 or 4.

⑥In the event the Contractor, the insured(insurant), or the insurance beneficiary (person who receives insurance) proves that the violation of the obligation to inform in spite of Clause 1 doesn't affect the reason for insurance payment, the agreed insurance shall be provided according to Clause 4 and 5.

⑦Company shall neither cancel the Contract for the reason that the Contractor violates the Obligation to Inform before the Contract regarding insurance information nor refuse reimbursement of insurance.

#### **Article 22 (Cancelation by Crucial Reasons)**

①In the event of the followings, the Company may cancel the Contract within one month.

1. If the Contractor, the insured (Insurant), or the insurance beneficiary (person who receives insurance) causes any reason for insurance payment deliberately

2. If the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) wrongly writes information on an insurance application, or forges and falsifies the document. However, if the reasons for insurance payment occur, this case shall have no effect on insurance payment.

②If the Company cancels the Contract in accordance with Clause 1, it should inform the Contractor of the intention and if it has insurance to reimburse for the cancelation of the Contract, insurance shall be provided to the Contractor according to Article 17 (reimbursement of Insurance).

#### **Article 23 (Fraudulent Contract)**

In the event the Company proves that the Contractor or the insured (insurant) passes an diagnosis process fraudulently by means of substitute diagnosis and the administration of drugs, falsifies diagnosis, or buys insurance by hiding the confirmed diagnosis of cancer or HIV infection before the Contract, the Company may cancel the Contract within 5 years (1 month of the date that the Company knows the fact at first) of the conclusion of a Contract.

## Chapter 5 Procedures of Insurance Payment

### Article 24 (Notice of Address Change)

- ①If the Contractor or the insured (insurant) (Contract for Other) changes his address or contact point, he should inform the Company of the change without hesitation.
- ②If the Contractor or the insured (insurant) does not inform against Clause 1, what the Company informs to the Contractor or the insured (insurant)'s final address or contact point known to the Company, by registered mail is considered to arrive to the Contractor later than the general arrival time.

### Article 25 (Designation of the Insurance Beneficiary (person who receives insurance))

Contract may designate the insurance beneficiary (person who receives insurance) and if the insurance beneficiary (person who receives insurance) is not designated, the insurance (beneficiary) shall be the insured (insurant)'s heir in accordance with Article 14 (Types of Insurance and Reasons for Insurance Payment), Item 1 and be the insured (insurant) in accordance with Article 14, Item 2.

### Article 26 (Designation of Attorney)

- ①If the Contractor or the insurance beneficiary (person who receives insurance) is more than two people, a representative for each of them should be designated. Hereby, the representative shall subrogate the different Contractor or insurance beneficiary (person who receives insurance).
- ②If the location of the Contractor or the insurance beneficiary (person who receives insurance) designated as the representative mentioned in Clause 1 is uncertain or if the representative is not selected in spite of the Company's claim or not available to select, the Company's act to a Contractor or an insurance beneficiary (person who receives insurance) pursuant to this Contract has effect on each different Contractors and insurance beneficiaries (person who receives insurance).
- ③If the Contractor is more than two, they shall jointly take the responsibility.

### Article 27 (Notice of Reasons for Insurance Payment)

Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) should inform the Company of the fact as soon as he/she knows the reason for insurance payment.

### Article 28 (Necessary Documents for Insurance Payment)

- ①The insurance beneficiary (person who receives insurance) or the Contractor should submit the following documents to make a claim for insurance or refund of the cancellation.
1. Application (the Company's form)
  2. Accident certificate (hospital bill, death certificate, disability certificate, inpatient treatment confirmation, and prescription (prescription compounding expenses))

3. Identification card (photo ID or driver's license issued by the government organization, in case of an attorney, a certificate of authentic seal impression as well)

4. Documents for other insurance beneficiary (person who receives insurance)'s insurance

②If a hospital or a clinic issues an accident certificate in accordance with Clause 1, Item 2, the hospital or the clinic should be a domestic medical center mentioned in Article 3 (Medical Institution) of Medical Law or equivalent medical centers in other countries.

#### **Article 29(Insurance Payment)**

①If the Company receives documents specified in Article 28 (Necessary Documents to Claim Insurance), it shall issue a filing receipt and provide insurance within 3 business days of the date of the filing receipt.

②If the date for payment mentioned in Clause 1 is certainly expected to delay for the purpose of the Company's examination and check about the reasons for insurance payment, the Company shall immediately inform the insured (insurant) or the insurance beneficiary (person who receives insurance) of the specific reason for delay, the due date to pay, and insurance provisional payment system. However, the due date to pay shall be fixed within 30 business days after the receiving date of documents in accordance with Article 28 (Necessary Documents to Claim Insurance) except the followings.

1. Lawsuit
2. Make a claim for grievance mediation
3. Investigative agency's examination
4. Examination about overseas insurance accidents
5. In the event the examination and check about the reasons for insurance is delayed due to the Contractor, the insured, or the insurance beneficiary's refusal of the Company's inspection, or his responsible reason according to Clause 5
6. In the event the third party's opinion about insurance for disabilities is determined to follow pursuant to Article 15 (Detailed Rules of Insurance Payment), Clause 9

③In case of additional inspection under Clause 2, the Company shall provide 50% of insurance that the Company assumes as temporary payments according to the insurance beneficiary (person who receives insurance)'s claim.

④In the event the Company does not provide insurance within the date for payment specified in Clause 1 (including notice of the due date for payment specified in Clause 2), a fixed deposit rate, which KIDI announces officially, computed at annual compound interest from the next day of the date of money paid until the date for reimbursement shall be added to insurance and provided. However, if the day for payment is delayed by the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance)'s responsible fault, the interest for the applicable period shall not be added.

⑤With regard to the inspection about the reasons for insurance payment, according to Article 21 (Effects of Violation of Obligation to Inform) and Clause 2, the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) should agree on the Company's written request for inspection by public offices such as a medical institution,

National Health Insurance Corporation, and a police office. However, unless he/she agrees without a valid reason, the Company shall not provide interest caused by insurance delay until the Company confirms the validity.

#### **Article 30 (Change in Methods for Insurance Payment)**

①The Contractor (the insurance beneficiary after the occurrence of reasons for insurance payment) may change insurance payment options, in whole or in part, to payment in installments or lump sum payment according to the Company's business regulations.

②In the event the Company provides partial or whole insurance by installments in accordance with Clause 1, the outstanding amount plus fixed deposit rate, which KIDI announces officially, computed at annual compound interest shall be provided, and if payment in installments is provided as a lump sum allowance, the amount discounted as a fixed deposit rate that KIDI announces officially shall be provided.

#### **Article 31 (Change in the Contract)**

Company may provide the followings of each item to other companies(including an attorney for insurance related work) and insurance related organizations for the use of materials to sign and maintain a Contract with the Contractor or the insured (insurant)'s consent, and hereby the Company shall obey Article 16 (Limit of Collection, Inspection, and Handling) and Clause 2 of "Credit Information Use and Protection Act", Article 32 (Agreement on Provision and Use of Personal Credit Information), and Article 28 (Agreement on Provision and Use of Personal Credit Information) of the same law.

1. Contractor or the insured (insurant)'s name, ID, and address
2. Contract terms about the conclusion date of a contract, types of insurance, insurance, and insurance
3. Payment terms such as insurance, various benefits, and reasons for insurance payment
4. Information about the insured (insurant)'s injuries and diseases

### **Chapter 6 Grievance Mediation**

#### **Article 32 (Grievance Mediation)**

If a dispute arises because of a contract term, parties to a dispute, other parties interested, or the Company shall propose a settlement to the Head of Financial Supervisory Service.

#### **Article 33(Competent Court)**

Lawsuit and civil conciliation about this Contract shall be made by a competent court of the Contractor's address. However, a competent court may depend on the agreement between the Company and the Contractor.

#### **Article 34(Interpretation of Clause)**

①Company shall interpret clause fairly not differently by contractors according to principle of good faith

②Company shall give a Contractor the benefit of the doubt if the meanings of clauses are not clear.

③Company shall not broadly interpret contents disadvantageous or burdensome for the Contractor or the insured (insurant) such as reasons for not providing insurance.

#### **Article 35(Effectiveness of Insurance Guide made by the Company)**

If the Insurance Guide (document to canvass for insurance) that insurance brokers use to collect contractors is not insistent with these policy terms, the Contract is regarded to be advantageous to the Contractor.

#### **Article 36 (Company's Liability for Damage)**

①Company shall be liable for the damage to the Contractor, the insured (insurant) or the insurance beneficiary (person who receives insurance) due to an insurance employee, an insurance broker, or an agency's responsible reasons according to the relevant rules.

②In the event the Company inflicts a loss on the Contractor, the insured (insurant), or the insurance beneficiary(person who receives insurance) byfiling a suit even if the Company is able to know or knows that there is no reason for the refusal of insurance payment or payment delay, the Company shall be liable for the damage.

③If the Company makes an unfair agreement on insurance payment and insurance amount by using the Contractor, the insured (insurant) or the insurance beneficiary (person who receives insurance)'s poverty, thoughtlessness, and inexperience, the Company shall be liable for the damage in accordance with Clause 2.

#### **Article 37(Declaration of Bankruptcy and Cancelation)**

①In the event the Company is declared bankrupt, the Contractor may cancel the Contract.

②Contract that is not cancelled by Clause 1 shall lose effect 3 months after declaration of bankruptcy.

③If the Contract is canceled in accordance with Clause 1 or invalid in accordance with Clause 2, the Company shall give the Contractor a refund upon cancellation according to Article 17 (reimbursement of Insurance).

#### **Article 38 (Guarantee of Compensation by Deposit Insurance Corporation)**

If the Company is unable to compensate due to its bankruptcy, insurance shall be provided according to Protection Law for Depositors.

#### **Article 39 (Governing Law)**

Matters that are not specified in this clause shall abide by Korean insurance-related legislations.

## **【Special Clause】**

*Dynamic*  
*Dongbu*

The logo features the word "Dynamic" in a grey, cursive script font, positioned above the word "Dongbu" in a bold, cyan, sans-serif font. To the right of the text is a stylized, orange and yellow graphic element resembling a swirl or a flame.

## **Injury disabilities Additional Special Clause of Insurance Payment**

### **Article 1(Types of Insurance and Reasons for Insurance Payment)**

Company shall provide injury disabilities insurance regardless of general clauses.

### **Article 2(Application of Provision)**

Matters that are not specified in this additional special clause shall follow general clauses.

## **Special Clause for Death by Injuries and High level of Permanent Disabilities**

### **Article 1(Types of Insurance and Reasons for Insurance Payment)**

Company shall provide agreed insurance to an insurance beneficiary(person who receives insurance) in case of any reason for either of the followings.

1. In the event the Contractor has injuries(including artificial internal organs, bridgework, or equivalent case transplanted to the body to replace the function, except assistance apparatuses such as artificial hand, leg, eye and tooth due to sudden and accidental physical accidents during a period of insurance, and hereinafter called "injury") resulting in death(except death by diseases), relevant insurance specified in Insurance Policy shall be paid as a death benefit.

2. In the event the Contractor has disabilities with more than ( )% insurance for disabilities described in the Classification of Disabilities(refer to **【Appendix 1】** as shown below) during a term insured, the amount calculated by multiplying agreed premium specified in Insurance Policy and insurance rates in the Classification of Disabilities shall be provided as insurance for permanent disabilities.

### **Article 2(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause for High Level of Permanent Disability More Than ( )%**

### **Article 1(Types of Insurance and Reasons for Insurance Payment)**

In the event the Contractor has injuries(including artificial internal organs, bridgework, or equivalent case transplanted to the body to replace the function, except assistance apparatuses such as artificial hand, leg, eye and tooth due to sudden and accidental physical accidents during a period of insurance, and hereinafter called "injury") resulting in high level of disabilities with ( )% or more insurance for the disabilities specified in the Classification of

Disabilities(refer to **【Appendix 1】** as shown below) during a term insured, premium specified in Insurance Policy shall be provided to the insured(insurant) as insurance for high level of permanent disabilities.

#### **Article 2(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause for Death by Diseases and 80% or Higher level of Permanent Disabilities**

#### **Article 1(Types of Insurance and Reasons to Pay)**

Company shall provide agreed insurance to an insurance beneficiary(person who receives insurance) in case of any reason for either of the followings.

1. In the event the Contractor has injuries(including artificial internal organs, bridgework, or equivalent case transplanted to the body to replace the function, except assistance apparatuses such as artificial hand, leg, eye and tooth due to sudden and accidental physical accidents during a period of insurance, and hereinafter called "injury") resulting in death(except death by diseases), relevant insurance specified in Insurance Policy shall be paid as a death benefit.

2. In the event the Contractor has disabilities with more than 80% insurance for disabilities described in the Classification of Disabilities(refer to **【Appendix 1】** as shown below) during a term insured, the amount calculated by multiplying agreed premium specified in Insurance Policy and insurance rates in the Classification of Disabilities shall be provided as insurance for permanent disabilities.

#### **Article 2(Detailed Provisions of Insurance Premium Payment)**

① With respect to temporary disabilities after treatment even though it is not permanent symptom in spite of Article 1(Types of Insurance and Reasons for Insurance Payment), Item 2, the amount that multiplies 20% of insurance for relevant disabilities by premium if the symptom appears more than 5 years shall be provided.

② Unless insurance for disabilities is not fixed within 180days from the occurrence of injuries in accordance with Article 1(Types of Insurance and Reasons for Insurance Payment), Item 2, insurance for disabilities, which will be fixed based on a doctor's diagnosis on 180th day from the occurrence of injuries, shall be determined. However, if the disabilities get worse during the period(one year from the occurrence of injuries in the event the Contract is invalid) that can receive coverage after the determination of insurance for disabilities, insurance for disabilities shall be determined based on the worsen status of disabilities, but if the time for evaluation for disabilities is separately determined in the Classification of Disabilities, then this case shall follow the Classification of Disabilities.

③ With regard to permanent disabilities that are not mentioned in Classification of Disabilities,

insurance shall be determined based on the Classification of Disabilities according to the level of disabilities in a body regardless of the insured(Insurant)'s job, age, position, or gender. However, regarding permanent disabilities that don't reach the lowest insurance in the Classification of Disabilities, the insurance for permanent disabilities shall not be provided.

④ In the event two or more permanent disabilities are caused by the same disease, the sum of insurance for permanent disabilities shall be provided. However, if criteria for each body are separately determined by Classification of Disabilities, then this case shall follow the criteria.

⑤ In the event two or more disabilities specified in Classification of Disabilities occur in the same body, the higher insurance money of the disabilities not total amount shall be applied in spite of despite Clause 4. However, in the event of separate criteria for each body of the Classification of Disabilities, this case shall follow the criteria.

⑥ Even if permanent disabilities caused by other diseases occur more than twice, then appropriate insurance for permanent disabilities shall be determined. However, in the event permanent disabilities are added to the same area that already receives insurance for the permanent disabilities, insurance for permanent disabilities that are the final level of disabilities minus the already given insurance for permanent disabilities shall be provided. However, in case of separate criteria for each body of the Classification of Disabilities, this case shall follow the criteria.

⑦ If the insured(insurant) who has existing permanent disabilities related to one of the followings has other permanent disabilities specified in Clause 6 in the same area, it is thought that insurance for permanent disabilities applying one of the followings is already provided so insurance for the final level of permanent disabilities minus the permanent disability insurance that is considered to be paid shall be provided.

1. Permanent disabilities that are not reasonable to pay insurance for permanent disabilities because the permanent disabilities are generated before the commencement of the Contract coverage or previously

2. Permanent disabilities that are not the reasons for permanent disability insurance according to the provision of this Contract besides Clause 1 or whose insurance for permanent disabilities is not given

⑧ In the event the insured(insurant) doesn't conclude an agreement on his insurance for disabilities with the Company, the thirty party agreed by the insured(insurant) and the Company shall be selected and his advice shall be taken.

The third party shall be a specialist of a general hospital in accordance with Article 3 of Medical Law(Medical Institution), and all medical costs to diagnose disabilities shall be charged by the Company.

⑨ If the Contractor receives diagnosis or treatment in the past(time of notice of relevant diseases on a claim application) due to the diseases related to 'Obligation to Inform before Contract(only in case of important matters)' specified in the application, insurance for the relevant diseases among insurance of Article 1(Types of Insurance and Reasons for Insurance Payment) shall not be provided.

⑩ Even if diseases are diagnosed and confirmed before the claim in spite of Clause 9, in the event there is no more diagnosis(except a simple medical check-up) or treatment for the diseases in five years(including the case that a Contract is automatically renewed and 5 years pass) after the claim, the disease shall be compensated under this clause 5 years after the claim.

⑪ '5 years after the claim' of Article 10 means no cancelation of a Contract in accordance with Article 11(Payment Notice and Cancelation of Contract due to Overdue Payment).

⑫ In case of the Contract reinstatement specified in Article 12(Reinstatement of Canceled Contract(Recovery of Validity) by Overdue Insurance Payment) of general clauses, the reinstatement date shall be applied as the claim date of Clause 10.

### **Article 3(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.



## Special Clause for Medical Reimbursement Expenses

### Chapter 1 General Clauses

#### Article 1(Types of Security)

Company's medical reimbursement insurance include 6 security types of hospitalization by injuries, Outpatient clinic by injures, hospitalization by diseases, Outpatient clinic by diseases, comprehensive hospitalization(injury+disease), and comprehensive Outpatient clinic, and the Contractor may select and insure more than one of them.

Types of Security		Insurance Coverage
Injury	<u>Hospitalization</u>	If the insured(insurant) is <u>hospitalized</u> by <u>injuries</u> to receive treatment
	<u>Outpatient</u>	If the insured(insurant) goes to <u>hospital</u> due to injuries to receive treatment or a <u>prescription</u> .
Disease	<u>Hospitalization</u>	If the insured(Insurant) is <u>hospitalized</u> by <u>diseases</u> to receive treatment
	<u>Outpatient</u>	If the insured(Insurant) goes to <u>hospital</u> due to <u>diseases</u> to receive treatment or a <u>prescription</u> .
Comprehensive	<u>Hospitalization</u>	If insured(Insurant) is <u>hospitalized</u> by <u>injuries</u> or <u>diseases</u> to receive treatment
	<u>Outpatient</u>	If insured(insurant) goes to <u>hospital</u> due to <u>injuries</u> or <u>diseases</u> to receive treatment or a <u>prescription</u> .

#### Article 2(Definition of Terms)

The definition of Terms used in this clause is shown in <Appendix> and the terms are underlined.

### Chapter 2 Company's Insurance Coverage

#### Article 3(Insurance Coverage by Security Types)

Company compensates or reduces by types of security during a period of insurance specified in this Contract as follows.

Types of Security	Insurance Details	
(1) <u>Hospitalization by injuries</u>	① If the <u>insured(insurant)</u> is hospitalized by injuries, the <u>Company</u> compensates for <u>hospitalization expenses</u> to the maximum of premium(as determined by the Contractor within 500million won) per injury as follows.	
	Category	Insurance
	<u>Hospital room cost</u> .	90% of sum of 'non-care(excluding a 6 or more person hospital room expenses)' and 'excess among medical

Types of Security	Insurance Details															
<p>(1) <u>Hospitalization by injuries</u></p>	<table border="1"> <tr> <td data-bbox="371 360 598 566"> <u>hospitalization expenses, hospitalization &amp; surgery expenses</u> </td> <td data-bbox="598 360 1414 566">           expenses specified in care expenses by National Health Service Act or medical care expenses by Medical Care Act'(However, if 10% of the amount is over 20million won each year on the date of the Contract or the particular date on the Contract, the excess shall be compensated.)         </td> </tr> <tr> <td data-bbox="371 566 598 846">           Deduction in a 6-or-more person hospital room         </td> <td data-bbox="598 566 1414 846">           The amount deducted by 50% from difference between the actual hospital room expenses and the <u>standard hospital room's</u> (However, based on the limit of average daily amount as 100,000won, average daily amount is calculated by dividing total difference of 6-person hospital room expenses into total <u>days of hospital treatment while in a hospital.</u>)         </td> </tr> </table>	<u>hospitalization expenses, hospitalization &amp; surgery expenses</u>	expenses specified in care expenses by National Health Service Act or medical care expenses by Medical Care Act'(However, if 10% of the amount is over 20million won each year on the date of the Contract or the particular date on the Contract, the excess shall be compensated.)	Deduction in a 6-or-more person hospital room	The amount deducted by 50% from difference between the actual hospital room expenses and the <u>standard hospital room's</u> (However, based on the limit of average daily amount as 100,000won, average daily amount is calculated by dividing total difference of 6-person hospital room expenses into total <u>days of hospital treatment while in a hospital.</u> )											
	<u>hospitalization expenses, hospitalization &amp; surgery expenses</u>	expenses specified in care expenses by National Health Service Act or medical care expenses by Medical Care Act'(However, if 10% of the amount is over 20million won each year on the date of the Contract or the particular date on the Contract, the excess shall be compensated.)														
Deduction in a 6-or-more person hospital room	The amount deducted by 50% from difference between the actual hospital room expenses and the <u>standard hospital room's</u> (However, based on the limit of average daily amount as 100,000won, average daily amount is calculated by dividing total difference of 6-person hospital room expenses into total <u>days of hospital treatment while in a hospital.</u> )															
	<p>② <u>Injuries</u> of Clause 1 include toxic symptoms caused by accident inhalation, absorption and intake of toxic gas or toxic materials. However, toxic symptoms caused by bacterial food poisoning and habitual inhalation, absorption, and intake are not excluded.</p> <p>③ In the event <u>the insured(insurant)</u> is not under National Health Insurance Act or Medical Care Act(including the case that he doesn't go through the procedures of care expenses prescribed in National Health Service Act or medical care prescribed in Medical Care Act), the Company gives compensation of 40% of <u>hospitalization expenses</u>, which the Contractor actually pays, to the maximum of premium(as determined by the <u>Contractor</u> within 500million won) <u>per injury</u>.</p> <p>④ Company compensates hospitalization medical expenses about one injury(two or more treatments due to the same injury are regarded as one injury.) from the first day of hospitalization to 365days(including the first day). However, in the case of hospitalization more than 365 days, it shall be regarded as a new injury to re-compensate after a 90-day period of coverage exclusion as shown below.</p> <p style="text-align: center;"><b>&lt;Example of Coverage Period&gt;</b></p> <table style="width: 100%; text-align: center; border-collapse: collapse;"> <tr> <td style="border: none;">↑</td> </tr> <tr> <td style="border: none;">Date of contract (2010.1.1)</td> <td style="border: none;">Initial date of hospitalization (2010.3.1)</td> <td style="border: none;">(2011.2.28)</td> <td style="border: none;">(2011.5.29)</td> <td style="border: none;">(2012.5.29)</td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;">Coverage is excluded from 2011.3.1.</td> <td style="border: none;">Resumption of coverage from 2011.5.30.</td> <td style="border: none;">Coverage is excluded from 2012.5.30.</td> </tr> </table>	↑	↑	↑	↑	↑	Date of contract (2010.1.1)	Initial date of hospitalization (2010.3.1)	(2011.2.28)	(2011.5.29)	(2012.5.29)			Coverage is excluded from 2011.3.1.	Resumption of coverage from 2011.5.30.	Coverage is excluded from 2012.5.30.
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Types of Security	Insurance Details												
(1) <u>Hospitalization by injuries</u>	<p>⑤Even if <u>the insurance period expires</u> during <u>the policyholder's hospitalization</u> for treatment, the Company compensates for the ongoing hospitalization up to 180 days (excluding the termination date of the <u>insurance period</u>) from the termination of the insurance period. In this case, Clause 4 is not applicable.</p> <p>⑥In the event <u>the insured(insurant)</u> receives a reduction in medical expenses to pay according to the employees' benefit package of a <u>hospital, hospitalization expenses</u> are based on medical expenses before the reduction.</p>												
(2) <u>Outpatient clinic by injuries</u>	<p>①In the event <u>the insured(insurant)</u> goes to the <u>hospital, due to injuries</u>, to receive medical treatment or to receive a prescription, the Company compensates the outpatient clinic visits (<u>outpatient clinic expenses, outpatient surgery expenses</u>) and charges for prescriptions respectively by the year from the initial date of the <u>Contract</u> as followed:</p> <table border="1" data-bbox="376 965 1423 1509"> <thead> <tr> <th data-bbox="376 965 504 1014">Category</th> <th data-bbox="504 965 1423 1014">Limit of Coverage</th> </tr> </thead> <tbody> <tr> <td data-bbox="376 1014 504 1263">Outpatient clinic</td> <td data-bbox="504 1014 1423 1263">Compensate within the premium for outpatient clinic per outpatient clinic after deducting &lt;See Table 1 Deductions by Items&gt; from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 outpatient clinic visits per year, beginning from the initial date of the <u>Contract</u>).</td> </tr> <tr> <td data-bbox="376 1263 504 1509">Prescription expense</td> <td data-bbox="504 1263 1423 1509">Compensate within the premium for filling prescriptions per prescription after deducting &lt;Table 1 Deductions by Items&gt; from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 prescriptions per year beginning from the initial date of the <u>Contract</u>).</td> </tr> </tbody> </table> <p>Note: Outpatient clinic visits and <u>prescription expenses</u> shall be decided by the <u>Contractor</u> with a limit of 300,000won for total cases.</p> <p style="text-align: center;"><b>&lt;Table 1 Deductions by Items&gt;</b></p> <table border="1" data-bbox="312 1693 1390 1993"> <thead> <tr> <th data-bbox="312 1693 499 1742">Category</th> <th data-bbox="499 1693 1230 1742">Item</th> <th data-bbox="1230 1693 1390 1742">Deduction</th> </tr> </thead> <tbody> <tr> <td data-bbox="312 1742 499 1993">Outpatient clinic (Sum of Outpatient clinic expenses and</td> <td data-bbox="499 1742 1230 1993">Clinics, dental clinics, and oriental clinics, according to Article 3, Clause 2, Item 1 of the Medical Act; maternity centers, according to Article 3, Clause 2, Item 2 of the Medical Act; health centers, according to Article 7; health medical centers, according to</td> <td data-bbox="1230 1742 1390 1993">10,000won</td> </tr> </tbody> </table>	Category	Limit of Coverage	Outpatient clinic	Compensate within the premium for outpatient clinic per outpatient clinic after deducting <See Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 outpatient clinic visits per year, beginning from the initial date of the <u>Contract</u> ).	Prescription expense	Compensate within the premium for filling prescriptions per prescription after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 prescriptions per year beginning from the initial date of the <u>Contract</u> ).	Category	Item	Deduction	Outpatient clinic (Sum of Outpatient clinic expenses and	Clinics, dental clinics, and oriental clinics, according to Article 3, Clause 2, Item 1 of the Medical Act; maternity centers, according to Article 3, Clause 2, Item 2 of the Medical Act; health centers, according to Article 7; health medical centers, according to	10,000won
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Types of Security	Insurance Details																		
(2) Outpatient clinic by injuries	outpatient surgery expenses)	Article 8 of the Local Health Act; health offices, according to Article 10 of Local Health Act; and health clinics in farming and fishing communities according to Article 15 of the Special Act for Medical Treatment.																	
		General <u>hospitals</u> , <u>hospitals</u> , dental <u>hospitals</u> , oriental <u>hospitals</u> , and long-stay <u>hospitals</u> , according to Article 3, Clause 2, Item 3 of the Medical Act.	15,000won																
		General professional long-stay hospital according to Article 40, Clause 2 of National Health Insurance Act or large-scale general hospital according to Article 3-4 of Medical Act	20,000won																
	Prescription expenses	Filling in prescriptions at <u>pharmacies</u> , according to Article 40, Clause 1, Item 2 of the National Health Insurance Act and in the Korean Orphan Drug Center, according to Article 40, Clause 1, Item 2 of the same law (per <u>doctor's</u> prescription, per <u>pharmacist's</u> dispensed prescription, in exceptional areas of separation of prescribing and dispensing drugs)	8,000won																
<p>② Even if <u>the insurance period</u> has expired during <u>the insured person's outpatient clinic visit</u>, the Company compensates for the ongoing hospitalization up to 180 days from the termination of the insurance policy: 90 outpatient clinic visits and 90 prescriptions.</p>																			
<p style="text-align: center;">&lt;Example of Coverage Period&gt;</p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th style="width: 25%;">Period of Coverage (One year)</th> <th style="width: 25%;">Period of Coverage (One year)</th> <th style="width: 25%;">Period of Coverage (One year)</th> <th style="width: 25%;">Additional Coverage (180days)</th> </tr> </thead> <tbody> <tr> <td>↑</td> <td>↑</td> <td>↑</td> <td>↑</td> </tr> <tr> <td>Date of Contract (2010.1.1)</td> <td>Particular date (2011.1.1)</td> <td>Particular date (2012.1.1)</td> <td>Termination of Insurance Period (2012.12.31)</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Termination of Coverage (2013.6.29.)</td> </tr> </tbody> </table>				Period of Coverage (One year)	Period of Coverage (One year)	Period of Coverage (One year)	Additional Coverage (180days)	↑	↑	↑	↑	Date of Contract (2010.1.1)	Particular date (2011.1.1)	Particular date (2012.1.1)	Termination of Insurance Period (2012.12.31)				Termination of Coverage (2013.6.29.)
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			Termination of Coverage (2013.6.29.)																
<p>③ In case of more than two outpatient clinic visits in a <u>medical institution</u> in one day, for the same treatment, due to <u>an injury</u> (including two or more pharmacist's <u>prescriptions</u> due to an injury), it is regarded as one outpatient clinic visit and one</p>																			

Types of Security	Insurance Details						
<p>(2) <u>Outpatient clinic by injuries</u></p>	<p>prescription, therefore follows Clause 1 and 2.</p> <p>④ <u>Injuries</u> from Clause 1 include: toxic symptoms caused by the accidental inhalation, absorption and/or intake of toxic gases or toxic materials. However, toxic symptoms caused by bacterial food poisoning and/or habitual inhalation, absorption, and/or intake are not excluded.</p> <p>⑤ In the event that <u>the insured(insurant)</u> is not covered under the National Health Insurance Act or the Medical Care Act (including the case that he doesn't go through the procedures of care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act), the Company gives compensation of 40% for the amount that deducts &lt;Table 1 Deductions by Items&gt; from <u>Outpatient clinic visit expenses</u>, which the Contractor actually pays, as outpatient and prescription expenses to the maximum of the premium (as decided by the <u>Contractor</u>, with a limit of 300,000 won, by the sum of outpatient clinic visits and <u>prescription expenses</u>).</p> <p>⑥ In the event the insured(insurant) receives a reduction in medical expenses to pay according to the hospital or the pharmacy's employee welfare package, hospitalization expenses shall be based on medical expenses before the reduction.</p>						
<p>(3) <u>Hospitalization due to disease</u></p>	<p>① If the <u>insured(insurant)</u> is hospitalized due to disease, the <u>Company</u> compensates for <u>hospitalization expenses</u> to the maximum of the premium (as determined by the <u>Contractor</u> within the limit of 500 million won) per disease as followed:</p> <table border="1" data-bbox="370 1205 1423 1841"> <thead> <tr> <th data-bbox="370 1205 600 1245">Category</th> <th data-bbox="600 1205 1423 1245">Insurance</th> </tr> </thead> <tbody> <tr> <td data-bbox="370 1245 600 1568"> <u>Hospital room cost, hospitalization expenses, hospitalization &amp; surgery expenses</u> </td> <td data-bbox="600 1245 1423 1568">           90% of the sum of "non-care (excluding a 6-or-more person hospital room expenses)" and "excess among medical expenses specified in care expenses by the National Health Service Act or medical care expenses by the Medical Care Act."(However, if 10% of the amount is over 20 million won per year, on the date of the Contract or the initial date of the Contract, the excess shall be compensated.)         </td> </tr> <tr> <td data-bbox="370 1568 600 1841">           Deduction in a 6-or-more person hospital room         </td> <td data-bbox="600 1568 1423 1841">           The amount deducted of 50% from the difference between the actual hospital room expenses and the <u>standard hospital room expenses</u>. (However, based on the limit of an average daily amount of 100,000 won, the average daily amount is calculated by dividing the total difference of a 6-person hospital room expenses into the <u>total days of hospital treatment while in a hospital.</u>)         </td> </tr> </tbody> </table> <p>② Diagnosis or treatment in the past (time of notice of relevant disease on a claim application) due to the diseases related to "Obligation to Inform before <u>Contract</u></p>	Category	Insurance	<u>Hospital room cost, hospitalization expenses, hospitalization &amp; surgery expenses</u>	90% of the sum of "non-care (excluding a 6-or-more person hospital room expenses)" and "excess among medical expenses specified in care expenses by the National Health Service Act or medical care expenses by the Medical Care Act."(However, if 10% of the amount is over 20 million won per year, on the date of the Contract or the initial date of the Contract, the excess shall be compensated.)	Deduction in a 6-or-more person hospital room	The amount deducted of 50% from the difference between the actual hospital room expenses and the <u>standard hospital room expenses</u> . (However, based on the limit of an average daily amount of 100,000 won, the average daily amount is calculated by dividing the total difference of a 6-person hospital room expenses into the <u>total days of hospital treatment while in a hospital.</u> )
Category	Insurance						
<u>Hospital room cost, hospitalization expenses, hospitalization &amp; surgery expenses</u>	90% of the sum of "non-care (excluding a 6-or-more person hospital room expenses)" and "excess among medical expenses specified in care expenses by the National Health Service Act or medical care expenses by the Medical Care Act."(However, if 10% of the amount is over 20 million won per year, on the date of the Contract or the initial date of the Contract, the excess shall be compensated.)						
Deduction in a 6-or-more person hospital room	The amount deducted of 50% from the difference between the actual hospital room expenses and the <u>standard hospital room expenses</u> . (However, based on the limit of an average daily amount of 100,000 won, the average daily amount is calculated by dividing the total difference of a 6-person hospital room expenses into the <u>total days of hospital treatment while in a hospital.</u> )						

Types of Security	Insurance Details															
<p>(3) Hospitalization due to disease</p>	<p>(only in the case of important matters)"specified in the application of Clause 1, shall be excluded.</p> <p>③In the event <u>the insured(insurant)</u> is not covered under the National Health Insurance Act or the Medical Care Act (including the case that he doesn't go through the procedures of care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act), the Company gives compensation of 40% for <u>hospitalization expenses</u>, which the Contractor actually pays, to the maximum of the premium (as determined by the <u>Contractor</u> within the limit of 500 million won) <u>per injury</u></p> <p>④ The <u>Company</u> compensates for <u>hospitalization expenses</u> caused by a same or one disease (diseases that are considered to have medical relationships from a <u>doctor</u> are regarded to be one disease, and for two or more treatments by the same disease, it is regarded as one disease) up to 365 days from the first date of <u>hospitalization</u> (including the first day). However, in case of <u>hospitalization</u> for more than 365 days, from the first <u>hospitalization date</u>, it shall be regarded as a new disease with re-compensation after 90 days of the coverage exclusion period as in the following example.</p> <p style="text-align: center;">&lt;Example of Coverage Period&gt;</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 20%;"></th> <th style="width: 20%;">Period of Coverage (365days)</th> <th style="width: 20%;">Exclusion of Coverage (90days)</th> <th style="width: 20%;">Period of Coverage (365days)</th> <th style="width: 20%;"></th> </tr> </thead> <tbody> <tr> <td>↑</td> <td>↑</td> <td>↑</td> <td>↑</td> <td>↑</td> </tr> <tr> <td><u>Date of contract</u> (2010.1.1)</td> <td>Initial date of <u>hospitalization</u> (2010.3.1)</td> <td>(2011.2.28) Coverage is excluded from 2011.3.1.</td> <td>(2011.5.29) Resumption of coverage from 2011.5.30.</td> <td>(2012.5.29) Coverage is excluded from 2012.5.30.</td> </tr> </tbody> </table> <p>⑤Even if <u>the insurance period</u> expires during <u>the insured(insurant)'s hospitalization</u> for treatment, the Company compensates for the ongoing hospitalization up to 180 days (excluding the termination date of the <u>insurance period</u>) from the termination of the insurance period. In this case Clause 4 is not applicable.</p> <p>⑥In the event <u>the insured(insurant)</u> receives a reduction in medical expenses to pay according to the employees' benefit package of a <u>hospital</u>, <u>hospitalization expenses</u> are based on medical expenses before the reduction.</p> <p>⑦The same disease means it has the same root cause (including diseases with medically significant relationships), and in the event of complications or treatment</p>		Period of Coverage (365days)	Exclusion of Coverage (90days)	Period of Coverage (365days)		↑	↑	↑	↑	↑	<u>Date of contract</u> (2010.1.1)	Initial date of <u>hospitalization</u> (2010.3.1)	(2011.2.28) Coverage is excluded from 2011.3.1.	(2011.5.29) Resumption of coverage from 2011.5.30.	(2012.5.29) Coverage is excluded from 2012.5.30.
	Period of Coverage (365days)	Exclusion of Coverage (90days)	Period of Coverage (365days)													
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<u>Date of contract</u> (2010.1.1)	Initial date of <u>hospitalization</u> (2010.3.1)	(2011.2.28) Coverage is excluded from 2011.3.1.	(2011.5.29) Resumption of coverage from 2011.5.30.	(2012.5.29) Coverage is excluded from 2012.5.30.												

Types of Security	Insurance Details						
(3) Hospitalization due to disease	<p>of any new diseases or hospitalization caused by several types of diseases without medical relationship, the disease is regarded as the same.</p> <p>⑧ Even if the disease is diagnosed and confirmed before the claim in spite of Clause 2, in the event there are no more diagnoses (except for a simple medical check-up) or treatment for the disease in five years (including the case that a Contract is automatically renewed and 5 years have passed); after the claim, the disease shall be compensated under this clause, 5 years after the claim.</p> <p>⑨ "5 years after the claim" of Clause 8 means no cancellation of a <u>Contract</u> in accordance with Article 14 (Payment Notice and Cancellation of <u>Contract</u> Due to Overdue Payment).</p> <p>⑩ In case of <u>Contract</u> reinstatement, specified in Article 15 (Reinstatement of a Canceled <u>Contract</u> (Recovery of Validity) by Overdue Insurance Payment) of this clause, the reinstatement date shall be applied as the claim date of Clause 8.</p>						
(4) Outpatient clinic due to diseases	<p>① In the event the insured(insurant) goes to the hospital, due to a disease, to receive treatment or a prescription, the Company compensates outpatient clinic visits (<u>Outpatient clinic expenses, Outpatient surgery expenses</u>) and charges for prescriptions respectively by the year from the initial date of the <u>Contract</u> as followed.</p> <table border="1" data-bbox="373 1227 1423 1800"> <thead> <tr> <th data-bbox="373 1227 488 1308">Category</th> <th data-bbox="488 1227 1423 1308">Limit of Coverage</th> </tr> </thead> <tbody> <tr> <td data-bbox="373 1308 488 1554">Outpatient clinic</td> <td data-bbox="488 1308 1423 1554">Compensate within the premium for outpatient clinic visits per outpatient clinic after deducting &lt;Table 1 Deductions by Items&gt; from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act" (maximum of 180 outpatient clinic visits per year, from the initial date of the <u>Contract</u>).</td> </tr> <tr> <td data-bbox="373 1554 488 1800">Prescription expense</td> <td data-bbox="488 1554 1423 1800">Compensate within the premium for filling prescriptions per prescription after deducting &lt;Table 1 Deductions by Items&gt; from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum of 180 prescriptions per year, from the initial date of the <u>Contract</u>).</td> </tr> </tbody> </table> <p>Note: Outpatient clinic visits and <u>prescription expenses</u> shall be decided by the <u>Contractor</u> within the limit of 300,000 won for total cases.</p> <p style="text-align: center;"><b>&lt;Table 1 Deductions by Items&gt;</b></p>	Category	Limit of Coverage	Outpatient clinic	Compensate within the premium for outpatient clinic visits per outpatient clinic after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act" (maximum of 180 outpatient clinic visits per year, from the initial date of the <u>Contract</u> ).	Prescription expense	Compensate within the premium for filling prescriptions per prescription after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum of 180 prescriptions per year, from the initial date of the <u>Contract</u> ).
Category	Limit of Coverage						
Outpatient clinic	Compensate within the premium for outpatient clinic visits per outpatient clinic after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act" (maximum of 180 outpatient clinic visits per year, from the initial date of the <u>Contract</u> ).						
Prescription expense	Compensate within the premium for filling prescriptions per prescription after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum of 180 prescriptions per year, from the initial date of the <u>Contract</u> ).						

Types of Security	Insurance Details		
(4) Outpatient clinic due to diseases	Category	Item	Deduction
	Outpatient clinic (Sum of Outpatient clinic expenses and outpatient surgery expenses)	Clinics, dental clinics, and oriental clinics, according to Article 3, Clause 2, Item 1 of the Medical Act; maternity centers, according to Article 3, Clause 2, Item 2 of the Medical Act; health centers, according to Article 7; health medical centers, according to Article 8 of the Local Health Act; health offices, according to Article 10 of Local Health Act; and health clinics in farming and fishing communities according to Article 15 of the Special Act for Medical Treatment.	10,000won
		General <u>hospitals</u> , <u>hospitals</u> , dental <u>hospitals</u> , oriental <u>hospitals</u> , and long-stay <u>hospitals</u> , according to Article 3, Clause 2, Item 3 of the Medical Act.	15,000won
		General professional long-stay hospitals, according to Article 40, Clause 2 of the National Health Insurance Act or large-scale general hospitals, according to Article 3-4 of the Medical Act.	20,000won
	Prescription expense	Filling in prescriptions at <u>pharmacies</u> according to Article 40, Clause 1, Item 2 of the National Health Insurance Act and in the Korean Orphan Drug Center, according to Article 40, Clause 1, Item 2 of the same law (per <u>doctor's</u> prescription, per <u>pharmacist's</u> dispensed prescription, in exceptional areas of separation of prescribing and dispensing drugs)	8,000won
<p>② Even if <u>the insurance period</u> has expired during <u>the insured person's outpatient clinic visit</u>, the Company compensates for the ongoing hospitalization up to 180 days from the termination of the insurance policy: 90 outpatient clinic visits and 90 prescription expenses.</p>			
<p>&lt;Example of Coverage Period&gt;</p>			

Types of Security	Insurance Details				
	Period of Coverage (One year)	Period of Coverage (One year)	Period of Coverage (One year)	Additional Coverage (180days)	
	↑	↑	↑	↑	↑
	Date of Contract (2010.1.1)	Particular date (2011.1.1)	Particular date (2012.1.1)	Termination of Insurance Period (2012.12.31)	Termination of Coverage (2013.6.29.)
(4) Outpatient clinic due to diseases	<p>③In case of more than two outpatient clinic visits in a <u>medical institution</u> in one day, for the same treatment, due to <u>one disease</u> in day (including two or more pharmacist's <u>prescriptions</u> due to a disease), it is regarded as one outpatient clinic visit and one prescription, therefore follows Clause 1 and 2.</p> <p>④Diagnosis or treatment in the past(time of notice of relevant diseases on a claim application) due to the diseases related to 'Obligation to Inform before <u>Contract</u>(only in case of important matters)' specified in the application of Clause 1 shall be excluded.</p> <p>⑤In the event that <u>the insured(insurant)</u> is not covered under the National Health Insurance Act or the Medical Care Act (including the case that he doesn't go through the procedures of care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act), the Company gives compensation of 40% for the amount that deducts &lt;Table 1 Deductions by Items&gt; from <u>Outpatient clinic visit expenses</u>, which the Contractor actually pays, as outpatient and prescription expenses to the maximum of the premium (as decided by the <u>Contractor</u>, with a limit of 300,000 won, by the sum of outpatient clinic visits and <u>prescription expenses</u>).</p> <p>⑥In the event the insured(insurant) receives a reduction in medical expenses to pay according to the hospital or the pharmacy's employee welfare package, hospitalization expenses shall be based on medical expenses before the reduction.</p> <p>⑦Even if the disease is diagnosed and confirmed before the claim in spite of Clause 4, in the event there are no more diagnoses (except for a simple medical check-up) or treatment for the disease in five years (including the case that a Contract is automatically renewed and 5 years have passed); after the claim, the disease shall be compensated under this clause, 5 years after the claim.</p> <p>⑧"5 years after the claim" of Clause 7 means no cancelation of a <u>Contract</u> in accordance with Article 14 (Payment Notice and Cancelation of <u>Contract</u> Due to Overdue Payment).</p>				

Types of Security	Insurance Details						
	<p>⑨In case of <u>Contract reinstatement</u>, specified in Article 15 (Reinstatement of a Canceled <u>Contract</u> (Recovery of Validity) by Overdue Insurance Payment) of this clause, the reinstatement date shall be applied as the claim date of Clause 7.</p>						
<p>(5) Comprehensive <u>Hospitalization</u></p>	<p>①If the <u>insured(insurant)</u> is hospitalized due to injuries or disease, the <u>Company</u> compensates for the <u>hospitalization expenses</u> to the maximum of the premium (as determined by the <u>Contractor</u> within the limit of 50 million won per injury or disease) as followed:</p> <table border="1" data-bbox="371 674 1425 1339"> <thead> <tr> <th data-bbox="371 674 600 719">Category</th> <th data-bbox="600 674 1425 719">Insurance</th> </tr> </thead> <tbody> <tr> <td data-bbox="371 719 600 1048"> <u>Hospital room cost, hospitalization expenses, hospitalization &amp; surgery expenses</u> </td> <td data-bbox="600 719 1425 1048">           90% of the sum of "non-care (excluding a 6-or-more person hospital room expenses)" and "excess among medical expenses specified in care expenses by the National Health Service Act or medical care expenses by the Medical Care Act."(However, if 10% of the amount is over 20 million won per year, on the date of the Contract or the initial date of the Contract, the excess shall be compensated.         </td> </tr> <tr> <td data-bbox="371 1048 600 1339">           Deduction in a 6-or-more person hospital room         </td> <td data-bbox="600 1048 1425 1339">           The amount deducted of 50% from the difference between the actual hospital room expenses and the <u>standard hospital room expenses</u>. (However, based on the limit of an average daily amount of 100,000 won, the average daily amount is calculated by dividing the total difference of a 6-person hospital room expenses into the total <u>days of hospital treatment while in a hospital.</u>)         </td> </tr> </tbody> </table> <p>②<u>Injuries</u> from Clause 1 include: toxic symptoms caused by the accidental inhalation, absorption and/or intake of toxic gases or toxic materials. However, toxic symptoms caused by bacterial food poisoning and/or habitual inhalation, absorption, and/or intake are not excluded.</p> <p>③Diagnosis or treatment in the past (time of notice of relevant disease on a claim application) due to the diseases related to "Obligation to Inform before <u>Contract</u> (only in the case of important matters)" specified in the application of Clause 1, shall be excluded.</p> <p>④In the event the <u>insured(insurant)</u> is not covered under the National Health Insurance Act or the Medical Care Act (including the case that he doesn't go through the procedures of care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act), the Company gives compensation of 40% for <u>hospitalization expenses</u>, which the Contractor actually</p>	Category	Insurance	<u>Hospital room cost, hospitalization expenses, hospitalization &amp; surgery expenses</u>	90% of the sum of "non-care (excluding a 6-or-more person hospital room expenses)" and "excess among medical expenses specified in care expenses by the National Health Service Act or medical care expenses by the Medical Care Act."(However, if 10% of the amount is over 20 million won per year, on the date of the Contract or the initial date of the Contract, the excess shall be compensated.	Deduction in a 6-or-more person hospital room	The amount deducted of 50% from the difference between the actual hospital room expenses and the <u>standard hospital room expenses</u> . (However, based on the limit of an average daily amount of 100,000 won, the average daily amount is calculated by dividing the total difference of a 6-person hospital room expenses into the total <u>days of hospital treatment while in a hospital.</u> )
Category	Insurance						
<u>Hospital room cost, hospitalization expenses, hospitalization &amp; surgery expenses</u>	90% of the sum of "non-care (excluding a 6-or-more person hospital room expenses)" and "excess among medical expenses specified in care expenses by the National Health Service Act or medical care expenses by the Medical Care Act."(However, if 10% of the amount is over 20 million won per year, on the date of the Contract or the initial date of the Contract, the excess shall be compensated.						
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Types of Security	Insurance Details																		
(5) Comprehensive Hospitalization	<p>pays, to the maximum of the premium (as determined by the <u>Contractor</u> within the limit of 500 million won) <u>per injury and/or disease</u>.</p> <p>⑤The <u>Company</u>compensates hospitalization medical expenses for one <u>injury</u> (two or more treatments due to the same <u>injury</u> are regarded as one injury.), the same disease or one disease (diseases that are considered to have medical relationship from a <u>doctoris</u> regarded to be one disease, and for two or more treatments by the same disease, it is regarded as one disease) from the first day of <u>hospitalization</u> up to 365 days (including the first day). However, in the case of <u>hospitalization</u> for more than 365 days, it shall be regarded as a new <u>injury</u> or a new disease to re-compensate after a 90-day period of coverage exclusion as shown below.</p> <p style="text-align: center;">&lt;Example of Coverage Period&gt;</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="border: none;"></th> <th style="border: none;">↑</th> </tr> </thead> <tbody> <tr> <td style="border: none;"></td> <td style="border: none;">Date of contract (2010.1.1)</td> <td style="border: none;">Initial date of hospitalization (2010.3.1)</td> <td style="border: none;">(2011.2.28)</td> <td style="border: none;">(2011.5.29)</td> <td style="border: none;">(2012.5.29)</td> </tr> <tr> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;">Coverage is excluded from 2011.3.1.</td> <td style="border: none;">Resumption of coverage from 2011.5.30.</td> <td style="border: none;">Coverage is excluded from 2012.5.30.</td> </tr> </tbody> </table> <p>⑥Even if <u>the insurance period</u> expires during <u>the insured(insurant)'s hospitalization</u> for treatment, the Company compensates for the ongoing hospitalization up to 180 days(excluding the termination date of <u>insurance period</u>) from the termination of insurance period. In this case, Clause 5 is not applicable.</p> <p>⑦In the event <u>the insured(insurant)</u> receives a reduction in medical expenses to pay according to the employees' benefit package of a <u>hospital</u>, <u>hospitalization expenses</u> are based on medical expenses before the reduction.</p> <p>⑧The same disease means it has the same root cause (including diseases with medically significant relationships), and in the event of complications or treatment of any new diseases or hospitalization caused by several types of diseases without medical relationship, the disease is regarded as the same.</p> <p>⑨Even if the disease is diagnosed and confirmed before the claim in spite of Clause 3, in the event there are no more diagnoses (except for a simple medical check-up) or treatment for the disease in five years (including the case that a</p>		↑	↑	↑	↑	↑		Date of contract (2010.1.1)	Initial date of hospitalization (2010.3.1)	(2011.2.28)	(2011.5.29)	(2012.5.29)				Coverage is excluded from 2011.3.1.	Resumption of coverage from 2011.5.30.	Coverage is excluded from 2012.5.30.
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			Coverage is excluded from 2011.3.1.	Resumption of coverage from 2011.5.30.	Coverage is excluded from 2012.5.30.														

Types of Security	Insurance Details												
(5) Comprehensive Hospitalization	<p>Contract is automatically renewed and 5 years have passed); after the claim, the disease shall be compensated under this clause, 5 years after the claim.</p> <p>⑩"5 years after the claim"of Clause 9 means no cancelation of a <u>Contract</u>in accordance with Article 14 (Payment Notice and Cancelation of <u>Contract</u> Due to Overdue Payment).</p> <p>⑪In case of <u>Contract</u> reinstatement, specified in Article 15 (Reinstatement of a Canceled <u>Contract</u> (Recovery of Validity) by Overdue Insurance Payment) of this clause, the reinstatement date shall be applied as the claim date of Clause 9.</p>												
(6) Comprehensive outpatient clinic	<p>① In the event <u>the insured(insurant) goes to the hospital, due to disease,</u> to receive medical treatment or to receive a prescription, the Company compensates the outpatient clinic visits (<u>Outpatient clinic expenses, Outpatient surgery expenses</u>) and charges for prescriptions respectively by the year from the initial date of the <u>Contract</u> as followed:</p> <table border="1" data-bbox="375 1016 1423 1585"> <thead> <tr> <th data-bbox="375 1016 491 1093">Category</th> <th data-bbox="491 1016 1423 1093">Limit of Coverage</th> </tr> </thead> <tbody> <tr> <td data-bbox="375 1093 491 1339">Outpatient clinic</td> <td data-bbox="491 1093 1423 1339">Compensate within the premium for outpatient clinic per outpatient clinic after deducting &lt;See Table 1 Deductions by Items&gt; from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 outpatient clinic visits per year, beginning from the initial date of the <u>Contract</u>).</td> </tr> <tr> <td data-bbox="375 1339 491 1585">Prescription expense</td> <td data-bbox="491 1339 1423 1585">Compensate within the premium for filling prescriptions per prescription after deducting &lt;Table 1 Deductions by Items&gt; from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 prescriptions per year beginning from the initial date of the <u>Contract</u>).</td> </tr> </tbody> </table> <p>Note: Outpatient clinic visits and <u>prescription expenses shall be decided by the Contractor</u> with a limit of 300,000won for total cases.</p> <p style="text-align: center;"><b>&lt;Table 1 Deductions by Items&gt;</b></p> <table border="1" data-bbox="309 1816 1390 1989"> <thead> <tr> <th data-bbox="309 1816 499 1865">Category</th> <th data-bbox="499 1816 1230 1865">Item</th> <th data-bbox="1230 1816 1390 1865">Deduction</th> </tr> </thead> <tbody> <tr> <td data-bbox="309 1865 499 1989">Outpatient clinic (Sum of</td> <td data-bbox="499 1865 1230 1989">Clinics, dental clinics, and oriental clinics, according to Article 3, Clause 2, Item 1 of the Medical Act; maternity centers, according to Article 3, Clause 2,</td> <td data-bbox="1230 1865 1390 1989">10,000won</td> </tr> </tbody> </table>	Category	Limit of Coverage	Outpatient clinic	Compensate within the premium for outpatient clinic per outpatient clinic after deducting <See Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 outpatient clinic visits per year, beginning from the initial date of the <u>Contract</u> ).	Prescription expense	Compensate within the premium for filling prescriptions per prescription after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 prescriptions per year beginning from the initial date of the <u>Contract</u> ).	Category	Item	Deduction	Outpatient clinic (Sum of	Clinics, dental clinics, and oriental clinics, according to Article 3, Clause 2, Item 1 of the Medical Act; maternity centers, according to Article 3, Clause 2,	10,000won
Category	Limit of Coverage												
Outpatient clinic	Compensate within the premium for outpatient clinic per outpatient clinic after deducting <See Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 outpatient clinic visits per year, beginning from the initial date of the <u>Contract</u> ).												
Prescription expense	Compensate within the premium for filling prescriptions per prescription after deducting <Table 1 Deductions by Items> from the sum of "non-care" and "excess among care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act"(maximum 180 prescriptions per year beginning from the initial date of the <u>Contract</u> ).												
Category	Item	Deduction											
Outpatient clinic (Sum of	Clinics, dental clinics, and oriental clinics, according to Article 3, Clause 2, Item 1 of the Medical Act; maternity centers, according to Article 3, Clause 2,	10,000won											

Types of Security	Insurance Details		
(6) Outpatient clinic by injuries	Outpatient clinic expenses and	Item 2 of the Medical Act; health centers, according to Article 7; health medical centers, according to Article 8 of the Local Health Act; health offices, according to Article 10 of Local Health Act; and health clinics in farming and fishing communities according to Article 15 of the Special Act for Medical Treatment.	
	outpatient surgery expenses)	General <u>hospitals</u> , <u>hospitals</u> , dental <u>hospitals</u> , oriental <u>hospitals</u> , and long-stay <u>hospitals</u> , according to Article 3, Clause 2, Item 3 of the Medical Act.	15,000won
		General professional long-stay hospitals, according to Article 40, Clause 2 of the National Health Insurance Act or large-scale general hospitals, according to Article 3-4 of the Medical Act.	20,000won
	Prescription expense	Filling in prescriptions at <u>pharmacies</u> , according to Article 40, Clause 1, Item 2 of the National Health Insurance Act and in the Korean Orphan Drug Center, according to Article 40, Clause 1, Item 2 of the same law (per <u>doctor's</u> prescription, per <u>pharmacist's</u> dispensed prescription, in exceptional areas of separation of prescribing and dispensing drugs)	8,000won
	<p>② <u>Injuries</u> from Clause 1 include: toxic symptoms caused by the accidental inhalation, absorption and/or intake of toxic gases or toxic materials. However, toxic symptoms caused by bacterial food poisoning and/or habitual inhalation, absorption, and/or intake are not excluded.</p> <p>③ Diagnosis or treatment in the past (time of notice of relevant disease on a claim application) due to the diseases related to "Obligation to Inform before <u>Contract</u> (only in the case of important matters)" specified in the application of Clause 1, shall be excluded.</p> <p>④ In the event that <u>the insured(insurant)</u> is not covered under the National Health Insurance Act or the Medical Care Act (including the case that he doesn't go through the procedures of care expenses prescribed in the National Health Service Act or medical care prescribed in the Medical Care Act), the Company gives compensation of 40% for the amount that deducts &lt;Table 1 Deductions by Items&gt; from <u>Outpatient clinic visit expenses</u>, which the Contractor actually pays, as</p>		

Types of Security	Insurance Details															
<p>(6) Comprehensive outpatient clinic</p>	<p>outpatient and prescription expenses to the maximum of the premium (as decided by the <u>Contractor</u>, with a limit of 300,000 won, by the sum of outpatient clinic visits and <u>prescription expenses</u>).</p> <p>⑤Even if <u>the insurance period</u> has expired during <u>the insured person's outpatient clinic visit</u>, the Company compensates for the ongoing hospitalization up to 180 days from the termination of the insurance policy: 90 outpatient clinic visits and 90 prescriptions.</p> <p style="text-align: center;">&lt;Example of Coverage Period&gt;</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="border: none;">↑</th> </tr> <tr> <th style="border: none;">Date of Contract</th> <th style="border: none;">Particular date</th> <th style="border: none;">Particular date</th> <th style="border: none;">Termination of Insurance Period</th> <th style="border: none;">Termination of Coverage</th> </tr> </thead> <tbody> <tr> <td style="border: none;">(2010.1.1)</td> <td style="border: none;">(2011.1.1)</td> <td style="border: none;">(2012.1.1)</td> <td style="border: none;">(2012.12.31)</td> <td style="border: none;">(2013.6.29.)</td> </tr> </tbody> </table> <p>⑥In case of more than two outpatient clinic visits in a <u>medical institution</u> in one day, for the same treatment, due to <u>one injury</u> or one disease in a day (including two or more pharmacist's <u>prescriptions</u> due to one injury or one disease), it is regarded as one outpatient clinic visit and one prescription, therefore follows Clause 1 and 5.</p> <p>⑦In the event the insured(insurant) receives a reduction in medical expenses to pay according to the hospital or the pharmacy's employee welfare package, hospitalization expenses shall be based on medical expenses before the reduction.</p> <p>⑧"5 years after the claim" of Clause 9 means no cancelation of a <u>Contract</u> in accordance with Article 14 (Payment Notice and Cancelation of <u>Contract</u> Due to Overdue Payment).</p> <p>⑨In case of <u>Contract</u> reinstatement, specified in Article 15 (Reinstatement of a Canceled <u>Contract</u> (Recovery of Validity) by Overdue Insurance Payment) of this clause, the reinstatement date shall be applied as the claim date of Clause 8.</p> <p>⑩ In case of the <u>Contract</u> reinstatement specified in Article 15(Reinstatement of Canceled <u>Contract</u>(Recovery of Validity) by Overdue Insurance Payment) of this clause, the reinstatement date shall be applied as the claim date of Clause 8.</p>	↑	↑	↑	↑	↑	Date of Contract	Particular date	Particular date	Termination of Insurance Period	Termination of Coverage	(2010.1.1)	(2011.1.1)	(2012.1.1)	(2012.12.31)	(2013.6.29.)
	↑	↑	↑	↑	↑											
Date of Contract	Particular date	Particular date	Termination of Insurance Period	Termination of Coverage												
(2010.1.1)	(2011.1.1)	(2012.1.1)	(2012.12.31)	(2013.6.29.)												

### Chapter 3 Exceptions to the Company's Compensation

#### Article 4(Compensation Exceptions)

The followings are not covered by the Company.

Type of Security	Exceptions of Compensation
<p>(1) <u>Hospitalization by injuries</u></p>	<p>①The <u>Company</u> shall not pay <u>hospitalization expenses</u> caused by the following reasons:</p> <ol style="list-style-type: none"> <li>1. The <u>beneficiary's</u> intention. However, if <u>the beneficiary</u> is one who is a part of the insurance, the rest of the insurance shall be provided to this <u>another beneficiary</u>.</li> <li>2. The <u>Contractor's</u> intention.</li> <li>3. The insured(insurant)'s intention. However, if the insured(insurant) hurts himself and is <i>non compos</i>, and can't make a <u>decision</u> by himself, compensation shall be made.</li> <li>4. In case of the insured(insurant)'s hospitalization due to pregnancy, birth delivery(including cesarean), and the postnatal period. However, injuries the <u>Company</u> covers shall be compensated.</li> <li>5. War, foreign military acts, revolutions, rebellions, and riots.</li> <li>6. If <u>the insured(insurant)</u> doesn't follow <u>a doctor's</u> directions <u>while in the hospital</u> without reasonable reasons, <u>the Company</u> shall not compensate for the worsened condition.</li> </ol> <p>②In the event there is no other Contract, the <u>Company</u> shall not compensate for the following injuries caused by the insured(insurant)'s job, position, or club activities.</p> <ol style="list-style-type: none"> <li>1. Professional climbing (rock-climbing or ice wall-climbing, using professional mountain-climbing equipment, or climbing requiring special techniques, experience, and prior training),maneuvering a glider, skydiving, scuba diving, and hang glider.</li> <li>2. Race, trial, and show (including practice) by a motorboat, a car or a motorcycle, or trial trip. (However, <u>injuries</u> generated during a trial trip on the public road shall be compensated.)</li> <li>3. If the person's occupation is a ship's crewman, fisherman, or boatman; or one who is on the ship as a matter of duty.</li> </ol>

Type of Security	Exceptions of Compensation
<p>(1) Hospitalization by injuries</p>	<p>③The <u>Company</u> shall not compensate for the following <u>hospitalization expenses</u>:</p> <ol style="list-style-type: none"> <li>1. Non-care expenses from dental and herbal remedy that are not included in the <u>care expenses</u> described in the National Health Service Act.</li> <li>2. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the National Health Insurance Corporation in accordance with the National Health Insurance related law (excess limitation).</li> <li>3. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the Medical Care Fund in accordance with the Medical Care related law (excess compensation, excess limitation in the Medical Care Act).</li> <li>4. Medical examinations, vaccinations, induced abortions. However, treatment for injuries that the <u>Company</u> covers shall be compensated.</li> <li>5. Expenses for nutritional supplements, multiple vitamins, hormone injections, health administration, diagnosis for DNA testing, infertility testing, sterilization operation, reversal of female sterilization, assisted reproductive technology (internal, external fertilization), and growth stimulation. However, treatment for <u>injuries</u> that the <u>Company</u> covers shall be compensated.</li> <li>6. Purchase or replacement cost for diagnosed materials such as false teeth, artificial limbs, artificial eye, glasses, contact lens, hearing aids, arm slings, and assisting devices. (However, in the case of transplants to the body to replace the function, such as an artificial internal organ or partial false teeth, shall be excluded.)</li> <li>7. Medical expenses for cosmetic reasons. <ol style="list-style-type: none"> <li>A. Double eyelid operation (oriental blepharoplasty), rhinoplasty, breast enlargement &amp; reduction operation, liposuction, rhytidoplasty, etc.</li> <li>B. Visuometer operations such as strabismusHypertelorism for cosmetic reasons, not eye sight improvement</li> <li>C. Eye correction surgery to replace eyeglasses and contact lenses.</li> <li>D. Varicose veins surgery for cosmetic reasons.</li> </ol> </li> </ol>

Type of Security	Exceptions of Compensation
<p>(1) <u>Hospitalization by injuries</u></p>	<p>8. Expenses unrelated to medical treatment (TV subscription fees, telephone charges, certificate issuing costs) and examination expenses unrelated to a doctor's clinical diagnosis.</p> <p>9. Automobile insurance (including deductions) or medical expenses covered by occupational health and safety insurance. However, an excess of medical expenses shall be compensated according to Article 3 (Insurance Coverage by Security Types).</p> <p>10. Medical expenses in overseas <u>medical centers</u>, that are not medical centers specified in Article 40 of National Health Service Act.</p>
<p>(2) <u>Outpatient clinic by injuries</u></p>	<p>①The <u>Company</u> shall not pay <u>outpatient clinic expenses</u> caused by the following reasons:</p> <ol style="list-style-type: none"> <li>1. The <u>beneficiary's</u> intention. However, if <u>the beneficiary</u> is one who is a part of the insurance, the rest of the insurance shall be provided to this <u>other beneficiary</u>.</li> <li>2. The <u>Contractor's</u> intention.</li> <li>3. The insured(insurant)'s intention. However, if the insured(insurant) hurts himself and is <i>non compos</i>, and can't make a <u>decision</u> by himself, compensation shall be made.</li> <li>4. In case of the insured(insurant)'s hospitalization due to pregnancy, birth delivery(including cesarean), and the postnatal period. However, injuries the Company covers shall be compensated.</li> <li>5. War, foreign military acts, revolutions, rebellions, and riots.</li> <li>6. If <u>the insured(insurant)</u> doesn't follow <u>a doctor's directions during the outpatient clinic visits</u> without reasonable reasons, <u>the Company</u> shall not compensate for the worsened condition.</li> </ol> <p>②In the event there is no other Contract, the Company shall not compensate for the following injuries caused by the insured(insurant)'s job, position, or club activities.</p> <ol style="list-style-type: none"> <li>1. Professional climbing (rock-climbing or ice wall-climbing, using professional mountain-climbing equipment, or climbing requiring special</li> </ol>

Type of Security	Exceptions of Compensation
<p>(2) Outpatient clinic by injuries</p>	<p>techniques, experience, and prior training),maneuvering a glider, skydiving, scuba diving, and hang glider.</p> <p>2. Race, trial, and show (including practice) by a motorboat, a car or a motorcycle, or trial trip. (However, <u>injuries</u> generated during a trial trip on the public road shall be compensated.)</p> <p>3. If the person’s occupation is a ship's crewman, fisherman, or boatman; or one who is on the ship as a matter of duty.</p> <p>③The <u>Company</u> shall not compensate for the following <u>hospitalization expenses</u>:</p> <ol style="list-style-type: none"> <li>1. Non-care expenses from dental and herbal remedy that are not included in the <u>care expenses</u> described in the National Health Service Act.</li> <li>2. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the National Health Insurance Corporation in accordance with the National Health Insurance related law (excess limitation).</li> <li>3. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the Medical Care Fund in accordance with the Medical Care related law (excess compensation, excess limitation in the Medical Care Act).</li> <li>4. Medical examinations, vaccinations, induced abortions. However, treatment for injuries that the <u>Company</u> covers shall be compensated.</li> <li>5. Expenses for nutritional supplements, multiple vitamins, hormone injections, health administration, diagnosis for DNA testing, infertility testing, sterilization operation, reversal of female sterilization, assisted reproductive technology (internal, external fertilization), and growth stimulation. However, treatment for <u>injuries</u> that the <u>Company</u> covers shall be compensated.</li> <li>6. Purchase or replacement cost for diagnosed materials such as false teeth, artificial limbs,artificial eye, glasses, contact lens, hearing aids, arm slings, and assisting devices. (However, in the case of transplants to the body to replace the function, such as an artificial internal organ or partial false teeth, shall be excluded.)</li> <li>7. Medical expenses for cosmetic reasons.</li> </ol>

Type of Security	Exceptions of Compensation
<p>(2)</p> <p><u>Outpatient clinic by injuries</u></p>	<p>A. Double eyelid operation (oriental blepharoplasty), rhinoplasty, breast enlargement &amp; reduction operation, liposuction, rhytidoplasty, etc.</p> <p>B. Visuometer operations such as strabismus Hypertelorism for cosmetic reasons, not eye sight improvement</p> <p>C. Eye correction surgery to replace eyeglasses and contact lenses.</p> <p>D. Varicose veins surgery for cosmetic reasons.</p> <p>8. Expenses unrelated to medical treatment (TV subscription fees, telephone charges, certificate issuing costs) and examination expenses unrelated to a doctor's clinical diagnosis.</p> <p>9. Automobile insurance (including deductions) or medical expenses covered by occupational health and safety insurance. However, an excess of medical expenses shall be compensated according to Article 3 (Insurance Coverage by Security Types).</p> <p>10. Medical expenses in overseas <u>medical centers</u>, that are not medical centers specified in Article 40 of National Health Service Act</p>
<p>(3)</p> <p><u>Hospitalization by diseases</u></p>	<p>①The <u>Company</u> shall not pay <u>hospitalization expenses</u> caused by the following reasons:</p> <ol style="list-style-type: none"> <li>1. The <u>beneficiary's</u> intention. However, if the <u>beneficiary</u> is one who is a part of the insurance, the rest of the insurance shall be provided this to <u>another beneficiary</u>.</li> <li>2. The <u>Contractor's</u> intention.</li> <li>3. The insured(insurant)'s intention. However, if the insured(insurant) hurts himself and is <i>non compos</i>, and can't make a <u>decision</u> by himself, compensation shall be made.</li> <li>4. In case of the insured(insurant)'s hospitalization because he/she didn't follow doctor's prescription and the diagnosis got worsen, the insurance doesn't provide the coverage over it.</li> </ol> <p>②The <u>Company</u> shall not compensate for the following <u>hospitalization expenses</u> according to the 6th Korean Classification of Diseases (KCD).</p> <ol style="list-style-type: none"> <li>1. Mental disease and behavior disorder (F04 ~ F99)</li> <li>2. Habitual absorption, sterility, and/or complications related to artificial insemination caused by female genital noninflammatory disorder (N96 ~ N98)</li> </ol>

Type of Security	Exceptions of Compensation
<p>(3) Hospitalization by diseases</p>	<p>3. <u>The insured(insurant)</u>'s pregnancy, delivery (including cesarean), and postnatal period.</p> <p>4. Congenital cerebropathy (Q00 ~ Q04)</p> <p>5. Obesity (E66)</p> <p>6. Urinary system disorder (N39, R32)</p> <p>7. Rectal and proctological disorders that are not applied to the <u>care expenses</u> of the National Health Service Act (I84, K60 ~ K62)</p> <p>③The <u>Company</u> shall not compensate for the following <u>hospitalization expenses</u>:</p> <p>1. Non-care expenses from dental and herbal remedy that are not included in the <u>care expenses</u> described in the National Health Service Act.</p> <p>2. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the National Health Insurance Corporation in accordance with the National Health Insurance related law (excess limitation).</p> <p>3. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the Medical Care Fund in accordance with the Medical Care related law (excess compensation, excess limitation in the Medical Care Act).</p> <p>4. Medical examinations, vaccinations, induced abortions. However, treatment for injuries that the <u>Company</u> covers shall be compensated.</p> <p>5. Expenses for nutritional supplements, multiple vitamins, hormone injections, health administration, diagnosis for DNA testing, infertility testing, sterilization operation, reversal of female sterilization, assisted reproductive technology (internal, external fertilization), and growth stimulation. However, treatment for <u>injuries</u> that the <u>Company</u> covers shall be compensated.</p> <p>6. Medical expenses for the items listed below:</p> <p style="padding-left: 40px;">A. Simple fatigue and tiredness</p> <p style="padding-left: 40px;">B. Hair loss and skin disease caused by freckles, hirsutism, atrichia, red nose(rhinophyma), spot(birthmark), warts, acne, and senility</p>

Type of Security	Exceptions of Compensation
<p>(3) <u>Hospitalization by diseases</u></p>	<p>C. Impotence dysfunction, snoring, phimosis, and eye diseases, such as pinguecula, that doesn't affect work or daily life in accordance with Article 9, Clause 1([Appendix] Target for Non-care) about the standards for care expenses of the National Health Insurance</p> <p>7. Purchase or replacement cost for diagnosed materials such as false teeth, artificial limbs, artificial eye, glasses, contact lens, hearing aids, arm slings, and assisting devices. (However, in the case of transplants to the body to replace the function, such as an artificial internal organ or partial false teeth, shall be excluded.)</p> <p>8. Medical expenses for cosmetic reasons.</p> <p>A. Double eyelid operation (oriental blepharoplasty), rhinoplasty, breast enlargement &amp; reduction operation, liposuction, rhytidoplasty, etc.</p> <p>B. Visuometer operations such as strabismus correction, hypertelorism for cosmetic reasons, not eye sight improvement</p> <p>C. Eye correction surgery to replace eyeglasses and contact lenses.</p> <p>D. Varicose veins surgery for cosmetic reasons.</p> <p>9. Expenses unrelated to medical treatment (TV subscription fees, telephone charges, certificate issuing costs) and examination expenses unrelated to a doctor's clinical diagnosis.</p> <p>10. Medical expenses covered by occupational health and safety insurance. However, an excess of the medical expenses shall be compensated according to Article 3 (Insurance Coverage by Type of Security).</p> <p>11. Medical expenses for HIV infection (However, if the HIV infection is caused by blood while in treatment of a doctor, specified in the Medical Law, it is excluded in case it is objectively identified in medical record.)</p> <p>12. Medical expenses in overseas <u>medical centers</u>, that are not medical centers specified in Article 40 of National Health Service Act</p>
<p>(4) <u>Outpatient clinic by injuries</u></p>	<p>①The <u>Company</u> shall not pay <u>outpatient clinic expenses</u> caused by the following reasons:</p>

Type of Security	Exceptions of Compensation
(4) Outpatient clinic by injuries	<p>1. The <u>beneficiary's</u> intention. However, if <u>the beneficiary</u> is one who is a part of the insurance, the rest of the insurance shall be provided to this <u>other beneficiary</u>.</p> <p>2. The <u>Contractor's</u> intention.</p> <p>3. The insured(insurant)'s intention. However, if the insured(insurant) hurts himself and is <i>non compos</i>, and can't make a <u>decision</u> by himself, compensation shall be made.</p> <p>4. If <u>the insured(insurant)</u> doesn't follow a <u>doctor's directions during the outpatient clinic visits</u> without reasonable reasons, <u>the Company</u> shall not compensate for the worsened condition.</p> <p>②The <u>Company</u> shall not compensate for the following <u>hospitalization expenses</u> according to the 6th Korean Classification of Diseases (KCD).</p> <ol style="list-style-type: none"> <li>1. Mental disease and behavior disorder (F04 ~ F99)</li> <li>2. Habitual absorption, sterility, and/or complications related to artificial insemination caused by female genital noninflammatory disorder (N96 ~ N98)</li> <li>3. <u>The insured(insurant)'s pregnancy, delivery (including cesarean), and postnatal period.</u></li> <li>4. Congenital cerebropathy (Q00 ~ Q04)</li> <li>5. Obesity (E66)</li> <li>6. Urinary system disorder (N39, R32)</li> <li>7. Rectal and proctological disorders that are not applied to the <u>care expenses</u> of the National Health Service Act (I84, K60 ~ K62)</li> </ol> <p>③The <u>Company</u> shall not compensate for the following <u>outpatient clinic expenses</u>:</p> <ol style="list-style-type: none"> <li>1. Non-care expenses from dental and herbal remedy that are not included in the <u>care expenses</u> described in the National Health Service Act.</li> <li>2. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the National Health Insurance Corporation in accordance with the National Health Insurance related law (excess limitation).</li> <li>3. In case of excess within the <u>care expenses</u> of the National Health Service Act, the refundable amount before and after from the Medical Care Fund in</li> </ol>

Type of Security	Exceptions of Compensation
<p>(4)  <u>Outpatient clinic by injuries</u></p>	<p>accordance with the Medical Care related law (excess compensation, excess limitation in the Medical Care Act).</p> <p>4. Medical examinations, vaccinations, induced abortions. However, treatment for injuries that the <u>Company</u> covers shall be compensated.</p> <p>5. Expenses for nutritional supplements, multiple vitamins, hormone injections, health administration, diagnosis for DNA testing, infertility testing, sterilization operation, reversal of female sterilization, assisted reproductive technology (internal, external fertilization), and growth stimulation. However, treatment for <u>injuries</u> that the <u>Company</u> covers shall be compensated.</p> <p>6. Medical expenses for the items listed below:</p> <ul style="list-style-type: none"> <li>A. Simple fatigue and tiredness</li> <li>B. Hair loss and skin disease caused by freckles, hirsutism, atrichia, red nose(rhinophyma), spot(birthmark), warts, acne, and senility</li> <li>C. Impotence dysfunction, snoring, phimosis, and eye diseases, such as pinguecula, that doesn't affect work or daily life in accordance with Article 9, Clause 1([Appendix] Target for Non-care) about the standards for care expenses of the National Health Insurance</li> </ul> <p>7. Purchase or replacement cost for diagnosed materials such as false teeth, artificial limbs, artificial eye, glasses, contact lens, hearing aids, arm slings, and assisting devices. (However, in the case of transplants to the body to replace the function, such as an artificial internal organ or partial false teeth, shall be excluded.)</p> <p>8. Medical expenses for cosmetic reasons.</p> <ul style="list-style-type: none"> <li>A. Double eyelid operation (oriental blepharoplasty), rhinoplasty, breast enlargement &amp; reduction operation, liposuction, rhytidoplasty, etc.</li> <li>B. Visuometer operations such as strabismusHypertelorism for cosmetic reasons, not eye sight improvement</li> <li>C. Eye correction surgery to replace eyeglasses and contact lenses.</li> <li>D. Varicose veins surgery for cosmetic reasons.</li> </ul>

Type of Security	Exceptions of Compensation
(4) <u>Outpatient clinic</u> by injuries	9. Expenses unrelated to medical treatment (TV subscription fees, telephone charges, certificate issuing costs) and examination expenses unrelated to a doctor's clinical diagnosis. 10. Medical expenses covered by occupational health and safety insurance. However, an excess of the medical expenses shall be compensated according to Article 3 (Insurance Coverage by Type of Security). 11. Medical expenses for HIV infection (However, if the HIV infection is caused by blood while in treatment of a doctor, specified in the Medical Law, it is excluded in case it is objectively identified in medical record.) 12. Medical expenses in overseas <u>medical centers</u> , that are not medical centers specified in Article 40 of National Health Service Act
(5) Comprehensive <u>hospitalization</u>	①With respect to <u>injuries</u> , ' <u>hospitalization by Injuries</u> ' is applied. ②With respect to diseases, ' <u>Hospitalization by Diseases</u> ' is applied.
(6) Comprehensive <u>outpatient clinic</u>	①With respect to injuries, ' <u>Outpatient Clinic by Injuries</u> ' is applied. ②With respect to diseases, ' <u>Outpatient Clinic by Diseases</u> ' is applied.

#### Chapter 4 Formation and Maintenance of Contract

##### Article 5 (Formation of Contract)

①Insurance Contract is signed by a Contractor's claim and an Insurance Company's consent. (Insurance Contract hereinafter noted as "Contract", Insurance Contractor hereinafter noted as "Contractor", and Insurance Company hereinafter noted as Company.)

②Company shall refuse assent or add conditions (limit for a premium, exclusions of insurance coverage, cutbacks in insurance, extra charge to insurance, etc) in the event that the insured (insurant) does not conform to this Contract.

③In the event that the Company receives a claim for the Contract and takes full insurance or the 1st premium, the Contract without a medical examination should accept or refuse the claim within 30 days of the claim date, and the Contract with a medical examination (hereinafter noted as "Diagnosis Contract") within 30 days of the diagnosis date (in case of re-diagnosis, the final diagnosis date), and if accepted, an Insurance Policy shall be presented. However, if notice of acceptance or refusal is not sent within 30 days, it shall be regarded accepted.

④In the event that the Company takes the 1st premium and refuses assent, the amount received with notice of refusal shall be reimbursed to the Contractor and 'a fixed deposit rate + 1%', which KIDI (Korea Insurance Development Institute) announces officially, computed at annual compound interest during the period that the Company receives premiums shall be added and provided. However, in the event the Company refuses assent to the Contract that the Contractor pays for the 1st premium with a credit card, the Company shall cancel the credit card transaction and shall not pay interest.

#### **Article6 (Withdrawal of Claim)**

①The Contractor may withdraw a claim within 15 days of the claim date. However, a diagnosis contract, a wholesale insurance contract, or a contract with less than one-year period of insurance may not cancel a claim, and Insurance Contract (hereinafter called "Telemarketing Contract") by communication media such as phone, mail, and computer (however, the contract with more than one year term of insurance period only) may withdraw the claim within 30 days of the claim date.

②When the Contractor withdraws a claim, the Company returns premium paid to the Contractor within 3 days of the date that the Company accepts the withdrawal of the claim, and with respect to the delay in reimbursement 'a fixed deposit rate + 1%', computed at annual compound interest shall be added and provided. However, in the eventthe Company cancels a claim of the Contract that the Contractor pays for the 1st premium with a credit card, the Company shall cancel the credit card transaction and shall not pay interest.

③In the event that the Contractor doesn't know the reason for insurance payment, even if reasons for insurance payment occur when the Contractor withdraws a claim, the withdrawal of a claim shall not be effective.

#### **Article 7 (Changes in Contract)**

①The Contractor may change the following with the Company's consent. In this case, the Company informs the consent in writing or writes it on the back of Insurance Policy.

1. Types of Insurance
2. Period of Insurance
3. Insurance payment cycle, Collection methods, and Payment period
4. Contractor and the Insured (Insurant)

②If the Contractor requests a change in the type of insurance as valid in the Contract that has been one or more years since the 1st premium, the Company shall change the type according to the Company's standard regulations.

③If the Contractor wants to reduce premium in accordance with the provision of Clause 1, Item 4, the Company regards the reduction as a cancelation of the Contract and in the event the Company has to reimburse insurance, the Company shall provide it to the Contractor pursuant to Article 29 (reimbursement of Insurance).

④The Contractor may change the beneficiary without the Company's consent. However, in the event the Contractor changes the beneficiary without giving the Company notice, the beneficiary cannot exercise his right to the Company after the change.

⑤Contractor may change the beneficiary (person who receives insurance) according to Article 4 with the Insured (Insurant)'s written consent before the occurrence of reasons for insurance.

#### **Article 8 (Insurance Age)**

①The Insured (Insurant)'s age is based on the insurance age mentioned in this clause.

②The insurance age of Clause 1 is based on the insured (insurant)'s actual full-age as of the date of the Contract. To calculate the precise date, round off fractions not higher than 6 months to a unit and calculate 6 months and over as one year, so the age increases on the appointed date of the Contract every year.

③In the event the insured (insurant)'s age or gender is untruthful, the insurance or premium shall be changed in line with the corrected age or gender.

#### **Article 9 (Cancellation of Contract)**

In the event the insured (insurant) is younger or older than the age designated in the Contract, the Contract shall be invalid and the insurance paid shall be reimbursed. In the event that the Contractor already reaches the age specified in the Contract, and the Company finds a mistake of the insured's age, the Contract is still valid. But, if the Contract is invalid because of the Company's intention or mistake and the Company doesn't reimburse premium; however, the Company can know void contract before the Company accepts, the Company should reimburse premiums plus a fixed deposit rate, which KIDI announces officially, computed at annual compound interest from the next day of the date of money paid until the date for reimbursement.

#### **Article 10(Discharge of Contract)**

In the event reasons for insurance specified in this clause no longer occur because of the insured(Insurant)'s death, then this Contract loses its effect.

#### **Article 11(Contractor's Arbitrary Termination)**

The Contractor may cancel the Contract anytime before the discharge of Contract, and in the event there is insurance to be reimbursed by the Company, the Company shall provide it to the Contractor according to Article 29 (Reimbursement of Insurance).

### **Chapter 5 Payment of Premium**

#### **Article 12 (1st Premium and the Company's Commencement of Coverage)**

①The Company shall compensate after it accepts a claim of the Contract and receives the first premium (regarding automatic transfer and credit card payment, in the event information for automatic transfer and credit card transaction is provided. However, if automatic transfer or

credit card payment is impossible due to the Contractor's fault, the 1st premium is not regarded to be paid.). However, if the Company receives the first premium accepts the claim, insurance coverage shall follow this clause. since the first premium (this clause indicates the date of the 1st premium as "the commencement of coverage(commencement of responsibility)" which is regarded as the Contract date).

②Even if the Company receives the 1st premium in case of a claim and reasons for insurance payment occur before accepting the claim, the insurance coverage shall be effective since the 1st premium according to this clause. However, in the event of any of the following, compensation shall not be made.

1. In accordance with Article 19 (Obligation to Inform before Contract), in the event the Company proves what the Contractor or the insured (insurant) informs to the Company that a medical examination affects the occurrence of reasons for insurance payment.

2. In the event the Company does not compensate in accordance with Article 21 (Effect of Breach of Obligation to Inform)

3. In the event the Diagnosis Contract does not receive diagnosis until reasons for insurance payment occur.

③In case of renewal of the Contract, the provision of Clause 1 & 2 shall be applied on the conclusion of coverage of the existing Contract.

#### **Article 13 (Premium Payment after the 2nd Premium)**

The Contractor should pay the premium after the 2nd month by the appointed date to pay (hereinafter called "Payment Date") and the Company shall issue a receipt of the premium for the Contractor. However, if the Contractor pays premium through a financial company (including the post office), documents issued by the financial company replace the receipt.

#### **Article 14 (Notice of Payment and Cancellation of the Contract in case of Overdue Premium)**

①If the Contractor does not pay the premium after the 2nd month by the appointed date, the payment for insurance is overdue. The Company shall designate a period of notice of the payment (if the period of notice of payment is Saturday or holiday, the period ends on the next first weekday) as 14 days or more (7 days for one-year or less insurance) and by written notice(registered mail), phone(voice recording) or electronic document to inform that the Contractor (in case of a Contract for another, a designated insurance beneficiary is included.) should pay late premium by the end of notice of payment. Unless he pays premium by the last day of notice of payment, then the Contract may be canceled on the next day of the end of notice. However, the Company shall compensate the agreed payment generated before the cancellation of the Contract according to the insurance clauses .

②If the Company prefers to inform the notice of payment by electronic document according to Clause 1, it should be sent in the form of electronic document under the condition of Contract's written consent, and the receiving of electronic document shall not be regarded until the Contractor confirms that he receives the electronic document. In case the electronic document is not confirmed, the Company should reinform the provision of Clause 1 with

written notice(registered mail) or by phone(voice recording) by designating the period of payment notice of Clause 1.

③If the Contract is canceled in accordance with Clause 1 and the Company should reimburse the insurance. The Company shall provide it to the Contractor according to Article 29 (reimbursement of Insurance).

#### **Article 15 (Reinstatement of Canceled Contract (Recovery of Validity) by Overdue Premium Payment)**

①In the event the Contract is canceled in accordance with Article 14 (Notice of Premium Payment and Cancellation of Contract in case of Delay in Payment) but the Contractor does not get a refund, according to Article 29 (reimbursement of Insurance), the Contractor may make a claim for reinstatement of cancelled contract (recovery of validity) according to the Company's procedures within two years of the date of cancelation. If the Company accepts the claim, the Contractor should pay outstanding premiums generated until the claim for reinstatement (Recovery of Validity) plus the amount computed at the interest that the Company designates for each insurance product within a 'fixed deposit rate + 1%'.

②In the event of Reinstatement of Canceled Contract (Recovery of Validity) pursuant to Clause 1, Article 5 (Formation of Contract), Article 12 (1st Premium and the Company's Commencement for Insurance Coverage), Article 19 (Obligation to Inform before Contract), and Article 21 (Effect of Breach of Obligation to Inform) shall apply.

#### **Article 16 (Special Reinstatement (Recovery of Validity) of the Contract Canceled by Compulsory Execution)**

①With respect to a Contract for another, if the Contract is canceled by compulsory execution, foreclosure and delinquency disposition in national tax and local tax payment regarding the Contractor's right of recourse in accordance with Article 29 (reimbursement of Insurance), the Company should inform that a beneficiary should pay the amount, which the Company provides to a creditor due to cancellation of the Contract, to the Company with the Contractor's consent and that he can make a claim for special reinstatement (Recovery of Validity) by changing the Contractor's title to the beneficiary in accordance with procedures of Article 7 (Changes in Contract), Clause 1.

②The Company shall accept the claim for the transfer of the Contractor and special reinstatement (Recovery of Validity), and the Contract is reinstated (Recovery of Validity) from the claim.

③The Company should send notice, mentioned in Article 1, to the designated beneficiary. However, the Company may send notice of Article 1 to the Contractor if a legal heir is designated as the beneficiary.

④The Company should send notice, mentioned in Article 1, within 7 days of the cancellation date of Contract. However, if the Company's notice arrives after 7 days and the beneficiary makes a claim for a transfer of the Contractor and special reinstatement (Recovery of

Validity), the Contract is reinstated (Recovery of Validity) on the 7th day of the cancelation of the Contract.

⑤The beneficiary can execute procedures of Article 1 within 15 days of the date when he receives notice. (If notice is sent to the Contractor in accordance with Clause 3, it refers to the date when the Contractor receives the notice).

## Chapter 6 Coverage of Numerous Insurance Contracts

### Article 17 (Coverage of Numerous Insurance Contracts)

①In case of multiple insurance contracts, proportional allotment of each Contract calculated by Clause 3 in accordance with compensable medical expenses and an amount of compensation of each Contract shall be compensated as an amount of compensation.

②Total amount of proportionally allotted compensation of each Contract shall be given to the maximum of principal sum among compensable medical expenses of each Contract.

③In case of numerous insurance contracts whose total amount of compensation per Contract exceeds the principal sum, the compensation amount of each Contract is proportionally allotted and paid. The proportional allotment calculation of numerous insurance contracts is as follows. In this case, hospitalization, outpatient clinic and prescription compounding are separately calculated.

$$\text{Proportional allotment per Contract} = \frac{\text{Principal sum among compensable medical expenses of Contract} \times \frac{\text{Compensation amount of each Contract}}{\text{Total amount of compensation of each Contract}}}{\text{Contract}}$$

### Article 18 (Joint Liability)

①In the event a beneficiary who signs a new Contract after October 1, 2009 has the same numerous insurance contracts, the beneficiary may claim partial or whole insurance from one of companies which numerous insurance contract are signed with and the Company that receives the claim shall pay insurance to the maximum of premium of this Contract.

②The Company that pays insurance pursuant to Clause 1 shall acquire a claim for the insurance that a beneficiary can claim from another company. However, the amount of insurance that the Company pays is part of insurance that a beneficiary can claim from the other company, the right shall be acquired without prejudice to the beneficiary's claim.

## Article 7 Obligation to Inform before Contract

### Article 19(Obligation to Inform before Contract)

The Contractor or the insured (insurant) should honestly fill out the application (hereinafter called "Obligation to Inform before a Contract" and "Duty of Disclosure" in commercial law) in case of a claim (in case of a medical examination, with respect to Diagnosis Contract).

However, with regard to Diagnosis Contract, data to decide physical conditions such as a copy of corporate or personal medical report conducted in a medical institution may replace a medical examination.

#### **Article 20 (Obligation to Inform after Accident Insurance Contract)**

①If the Contractor or the insured (insurant) changes his/her job or duty (e.g change a car driver's job or duty to a commercial driver) during a period of insurance or uses a two-wheeled vehicle or a motorized bicycle continuously, he/she should inform the fact to the Company immediately.

②The Company shall reimburse the difference of insurance for reduced risks in accordance with Clause 1, and if risks increases because of the Contractor or the insured (insurant)'s intention or gross negligence, the Company may claim increase of premium within one month after the notice or cancel the Contract.

③In the event the Contractor pays more premium pursuant to Clause 1 but delays the payment, the Company shall reduce insurance payment and provide it according to the ratio of a premium rate(hereinafter "Premium Rate after Change") to be applied after change to a premium rate(hereinafter called "Premium Rate before Change") applied before changing his job or position. However, injuries caused by accidents unrelated to changed job or position shall be excluded.

④In the event the Contractor or the insured (insurant) does not inform the Company of any change in his/her job or duty due to his/her intention or gross negligence, and if a premium rate is higher after change, the Company shall inform the Contractor or the insured (insurant) that insurance is compensated in accordance with Clause 3 and will be provided, within one month of the date known.

#### **Article 21 (Effects of Violation of Obligation to Inform)**

①If the Company has any of the followings, the Company may cancel this Contract within one month of the date that it is known, regardless of the reasons for insurance payment.

1. If the Contractor, the insured (insurant), or his attorney violates Article 19 (Obligation to Inform before Contract) due to his/her intention or a huge mistake and the obligation is important.
2. If the obligation to inform is not performed after the Contract in spite of the provision of Article 20 (Obligation to Inform after Accident Insurance Contract), Clause 1 related to increase in certain risks.

②In spite of Clause 1, Item 1, if the Company has any of the followings, it may not cancel the Contract.

1. If the Company knows the fact at the time of the Contract or does not know the fact due to its fault.
2. If one month passes since the Company knows the fact, or the reasons for insurance payment do not occur since the first insurance is paid and two years pass (One year for the insured (Insurant) who receives a medical examination).

3. If three years pass since the conclusion of the Contract.

4. If the Company accepts a claim of this Contract through basic data (a copy of a medical report) is able to decide the insured (insurant)'s physical condition and the reasons for insurance payment occur according to contents specified in a copy of a medical report. (However, if the Contractor or the insured (insurant) write falsely important details of the basic data that he submits to the Company on purpose, this case is an exception.)

5. In the event an insurance sales man does not give the Contractor or the insured (insurant) an opportunity to inform, prevents the Contractor or the insured (insurant) from informing the truth, discourage the Contractor or the insured (insurant) from informing the truth, or encourages the Contractor or the insured (insurant) to inform incorrectly. However, even if there is no action by the insurance sales man's, in the event the Contractor or the insured (insurant)'s notification is considered as false or faithless, the case is not included.

③In the event the Contract is canceled before the reasons for insurance payment occur in accordance with Clause 1 and the Company has insurance to reimburse, the Company shall provide it to the Contractor in accordance with Article 29 (reimbursement of Insurance).

④In the event the Contract is canceled after the reasons for insurance payment occur in accordance with Clause 1, Item 1, the Company shall not give insurance and shall inform the Contractor that he violates Obligation to Inform before Contract and explain the reason why the Obligation to Inform before Contract is important with a written statement. "If there is counter-evidence, the Contractor may object". In addition, in the event the Company has insurance to return due to the cancellation of the Contract, the Company shall provide it to the Contractor according to Article 29 (reimbursement of Insurance). Also, in case of the cancellation of a Contract after the reasons for insurance payment occur according to Clause 1, Item 2, the damage shall be compensated in accordance with Article 20 (Obligation to Inform after Accident Insurance Contract), Clause 3 or 4.

⑤In the event the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) proves that the violation of the obligation to inform in spite of Clause 1 does not affect the reason for insurance payment, the agreed insurance shall be provided according to Clause 4.

⑥The Company shall neither cancel the Contract for the reason that the Contractor violates the Obligation to Inform before the Contract regarding insurance information nor refuse return of insurance.

#### **Article 22(Cancellation by Crucial Reasons)**

①In the event of the following, the Company may cancel the Contract within one month.

1. If the Contractor, the insured (insurant), or the beneficiary deliberately causes injuries and diseases with intent to receive insurance (including a premium exemption).

2. If the Contractor, the insured (insurant), or the beneficiary wrongly writes information on an insurance application, or forges and falsifies the document. However, if the reasons for insurance payment occur, this case shall have no effect on insurance payment.

②If the Company cancels the Contract in accordance with Clause 1, the Company should inform the Contractor of the intention. If the Company has insurance to return for the cancelation of the Contract, insurance shall be provided to the Contractor according to Article 17 (reimbursement of Insurance).

### **Article 23 (Fraudulent Contract)**

In the event the Company proves that the Contractor or the insured (insurant) passes a diagnosis process fraudulently by means of substitute diagnosis, the administration of drugs, falsifies diagnosis, or buys insurance by hiding the confirmed diagnosis of cancer or HIV infection before the Contract, the Company may cancel the Contract within 5 years (1 month of the date that the Company knows the fact at first) of the conclusion of a Contract.

## **Chapter 8 Procedures of Insurance Payment**

### **Article 24 (Notice of Address Change)**

①If the Contractor or the insured (insurant) (Insurance Contract for Other) changes his/her address or contact point, he/she should inform the Company of the change without hesitation.

②If the Contractor does not inform against Clause 1, the information the Company send to the Contractor's final address or contact point known to the Company, by registered mail is considered to be arrived to the Contractor if the assigned period is expired.

### **Article 25 (Designation of Attorney)**

①If the Contractor or the insurance beneficiary (person who receives insurance) is more than two people, a representative for each of them should be designated. Hereby, the representative shall subrogate the different Contractor or insurance beneficiary (person who receives insurance).

②If the location of the Contractor or the insurance beneficiary (person who receives insurance) designated as the representative mentioned in Clause 1 is uncertain or if the representative is not selected in spite of the Company's claim or not available to select, the Company's act to a Contractor or an insurance beneficiary (person who receives insurance) pursuant to this Contract effects on other different Contractors and insurance beneficiaries.

③If the Contractor is more than two, they shall jointly take the responsibility.

### **Article 26 (Notice of Reasons for Insurance Payment)**

Contractor, the insured (Insurant), or the beneficiary should inform the Company of the fact as soon as he knows the reason for insurance payment.

### **Article 27 (Necessary Documents for Insurance Payment)**

①The beneficiary or the Contractor should submit the following documents to make a claim for insurance or refund in accordance with Article 29 (reimbursement of Insurance).

1. Application (the Company's form)
2. Accident certificate (hospital bill, death certificate, disability certificate, inpatient treatment confirmation, and prescription (prescription compounding expenses))
3. Identification card (photo ID or driver's license issued by the government organization, in case of an attorney, a certificate of authentic seal impression as well)
4. Documents for other beneficiary's insurance

②If a hospital or a clinic issues an accident certificate in accordance with Clause 1, Item 2, the hospital or the clinic should be a domestic medical center mentioned in Article 3 (Medical Institution) of Medical Law or equivalent medical centers in other countries.

### **Article 28 (Insurance Payment)**

①If the Company receives documents specified in Article 27 (Necessary Documents to Claim Insurance), it shall issue a filing receipt and provide insurance within 3 business days of the date of the filing receipt.

②If the date for payment mentioned in Clause 1 is expected to be delayed for the purpose of the Company's examination and check about the reasons for insurance payment, the Company shall immediately inform the insured (insurant) or the insurance beneficiary (person who receives insurance) of the specific reason for delay, the due date to pay, and insurance provisional payment system. However, the due date to pay shall be fixed within 30 business days after the receiving date of documents in accordance with Article 27 (Necessary Documents to Claim Insurance) except for the following.

1. Lawsuit
2. Make a claim for grievance mediation
3. Investigative agency's examination
4. Examination about overseas insurance accidents
5. In the event the examination and check about the reasons for insurance is delayed due to the Contractor, the insured, or the insurance beneficiary's refusal of the Company's inspection, or his/her responsible reason according to Clause 4

③In the event the Company does not provide insurance within the date for payment specified in Clause 1 (including notice of the due date for payment specified in Clause 2), a fixed deposit rate, which KIDI announces officially, computed at annual compound interest from the next day of the date of money paid until the date for return shall be added to insurance and provided. However, if the day for payment is delayed by the Contractor, the insured (insurant), or the beneficiary's responsible fault, the interest for the applicable period shall not be added.

④With regard to the inspection about the reasons for insurance payment according to Article 21 (Effects of Violation of Obligation to Inform) and Clause 2, the Contractor, the insured(insurant), or the beneficiary should agree on the Company's written request for inspection by public offices such as a medical institution, National Health Insurance Corporation, and a police office. However, unless he/she agrees without a valid reason, the

Company shall not provide interest caused by insurance delay until the Company confirms the validity.

#### **Article 29 (Reimbursement of Insurance)**

①In the event that this Contract is canceled, insurance shall be reimbursed as follows.

1. If the Contractor, the insured (insurant), or the beneficiary does not have responsible reasons: In case of invalidity, total premiums paid to the Company, and in case of cancelation of the Contract, daily based insurance during the period that does not lapse

2. If the Contractor, the insured (insurant), or the beneficiary has responsible reasons: balance that subtracts insurance premium calculated by short rate (applied for one year or below) for elapsed time. However, in the event the Contract is canceled by the Contractor, the insured (insurant) or the beneficiary's intention or huge mistake, insurance shall not be reimbursed.

②If the Contract of which the insurance period is over one year is invalid, insurance of the insurance year that is included in the occurrence date of the cause for invalidity or the cancelation date, follows the provision of the abovementioned Clause 1 above and total insurance relevant to the following insurance year shall be returned.

#### **Article 30 (Change in Methods for Insurance Payment)**

①Contractor (the beneficiary after the occurrence of reasons for insurance payment) may change insurance payment options, in whole or in part, to payment in installments or lump sum payment according to the Company's business regulations.

②In the event the Company provides partial or whole insurance by installments in accordance with Clause 1, the outstanding amount plus fixed deposit rate, which KIDI announces officially, computed at annual compound interest shall be provided, and if payment in installments is provided as a lump sum allowance, the amount discounted as a fixed deposit rate, that KIDI announces, officially shall be provided.

#### **Article 31 (Change in the Contract)**

The Company may provide the following of each item to other companies (including an attorney for insurance related work) and insurance related organizations for the use of materials to sign and maintain a Contract with the Contractor or the insured (insurant)'s consent, and hereby the Company shall obey Article 16 (Limit of Collection, Inspection, and Handling) and Clause 2 of Credit Information Use and Protection Act, Article 32 (Agreement on Provision and Use of Personal Credit Information), and Article 28 (Agreement on Provision and Use of Personal Credit Information) of the same law.

1. Contractor or the insured (Insurant)'s name, ID, and address
2. Contract terms regarding to the conclusion date of a Contract, insurance type, premium, and amount
3. Payment terms such as insurance, various benefits, and reasons for insurance payment
4. Information about the insured (insurant)'s injuries and diseases

## Chapter 9 Grievance Mediation

### Article 3 (Issue of Clause and Obligation to Explain)

①In the event of a Contractor's claim, the Company gives the Contractor Insurance Policy and a copy of claim application for the Contractor and explains the important terms. However, with respect to a Telemarketing Contract, the Company may select one of methods listed below with the Contractor's consent.

1. Send Insurance Clause or a copy of claim application for the Contractor by means of electronic ways such as optical recording media or e-mail. The appropriate clause or a copy of claim application for the Contractor is considered to be sent when the Contractor or his/her attorney receives it.

2. Read or download clauses and explanation in Cyber mall (virtual office set for computer-based insurance transaction). In the event of the confirmed Contractor's reading or downloading, the appropriate clause is considered to be provided and the important contents are considered to be explained.

3. Ask or explain important matters for signing a Contract such as details of a claim, premium payment, period of insurance, obligation to inform before the Contract, and the important terms by phone. By recording the Contractor's answer and confirmation, important clauses are considered to be explained.

②In the event the Company neither gives the Contractor Insurance Policy and a copy of claim application for the Contractor according to Clause 1, nor explains important terms, or the Contractor does not give his/her signature (including seal on the claim application or electronic signature certified by public certificate authority pursuant to Article 2, Item 10 of Electronic Signature Law) on a claim application in case of conclusion of a Contract, the Contractor may cancel the Contract within 3 months after the claim date. However, with respect to Wholesale Insurance Contract, this Contract may be canceled within one month of conclusion of the Contract.

③In spite of Clause 2, in the event that the Contract is signed by phone, the Contractor may skip autography if the followings meet Item 1, and when confirmation of voice recording specified Clause 1, Item 3 is given to the Contractor, a copy of claim application for the Contractor is considered to be sent.

1. If the Contractor, the insured (insurant), and a beneficiary on the Contract are same.

2. If the Contractor and the insured (insurant) are same and a beneficiary is the Contractor's legal heir

④In the event the Contract is canceled according to Clause 2, the Company returns paid premium to the Contractor, and a fixed deposit rate, which KIDI announces officially, computed at annual compound interest during the period that the Company receives premiums shall be added and provided.

⑤The Company checks if the future insured (insurant) has other Medical Reimbursement Insurance Contract and if the future insured (insurant) is the insured (insurant) of another

Medical Reimbursement Insurance Contract, then the Company shall explain a compensation method.

#### **Article 33 (Negative Prescription)**

Unless a claim for return of insurance and premium and a claim for dividend are exercised for two years, negative prescription shall be completed.

#### **Article 34 (Grievance Mediation)**

If a dispute arises because of a Contract term, parties to a dispute, other parties interested, or the Company shall propose a settlement to the Head of Financial Supervisory Service.

#### **Article 35 (Competent Court)**

Lawsuit and civil conciliation about this Contract shall be made by a competent court of the Contractor's address. However, a competent court may depend on the agreement between the Company and the Contractor.

#### **Article 36 (Interpretation of Clause)**

- ① Company shall interpret clause fairly not differently by contractors according to principle of good faith
- ② Company shall give a Contractor the benefit of the doubt if the meanings of the clauses are not clear.
- ③ Company shall not broadly interpret contents disadvantageous or burdensome for the Contractor or the insured (insurant) such as reasons for not providing insurance.

#### **Article 37 (Effectiveness of Insurance Guide made by the Company)**

If the Insurance Guide (document to canvass for insurance) that insurance brokers use to collect contractors is not insistent with these policy terms, the Contract is regarded to be advantageous to the Contractor.

#### **Article 38 (Company's Liability for Damage)**

- ① The Company shall be liable for the damage to the Contractor, the insured (insurant) or the beneficiary due to an insurance employee, an insurance broker, or an agency's responsible reasons according to the relevant rules .
- ② In the event the Company inflicts a loss on the Contractor, the insured (insurant), or the beneficiary by filing a suit even if the Company is able to know or knows that there is no reason for the refusal of insurance payment or payment delay, the Company shall be liable for the damage.
- ③ If the Company makes an unfair agreement on insurance payment and insurance amount by using the Contractor, the insured (insurant) or the beneficiary's poverty, thoughtlessness, and inexperience, the Company shall be liable for the damage in accordance with Clause 2.

### **Article 39 (Declaration of Bankruptcy and Cancellation)**

- ①In the event the Company is declared bankrupt, the Contractor may cancel the Contract.
- ②The Contract that is not cancelled by Clause 1 shall lose effect 3 months after declaration of bankruptcy.
- ③If the Contract is canceled in accordance with Clause 1 or invalid in accordance with Clause 2, the Company shall give the Contractor a refund upon cancellation according to Article 29 (Reimbursement of Insurance).

### **Article 40 (Guarantee of Compensation by Deposit Insurance Corporation)**

If the Company is unable to compensate due to its bankruptcy, insurance shall be provided according to Protection Law for Depositors.

### **Article 41 (Governing Law)**

Matters that are not specified in this clause shall abide by Korean insurance-related legislations



<Appendix> Definition of Terms

Term	Definition
Contract	Insurance Contract
Contractor	Person who signs a contract with an insurance company and pays premium
Insured(insurant)	Person who has a reason for insurance payment or is the target (object) for insurance accidents
Beneficiary	Person who receives insurance
Insurance period	Period that risks specified in the Contract are covered
Company	Insurance company
Injury	Sudden and accident external injury during a period of insurance
Accident insurance contract	Contract compensating for injuries
Doctor	Doctors, oriental doctors, and dentists specified in Article 2 (Medical Personnel) of Medical Act
Pharmacist	Pharmacists and oriental pharmacists specified in Article (Definition) of Pharmacy law
Medical institution	Medical institutions specified in Article 3 (Medical Institution), Clause 2 of Medical Act and divided into a general hospital, a hospital, a dental hospital, an oriental hospital, a long-stay hospital, a clinic, a dental clinic, an oriental clinic, and a maternity clinic
Pharmacy	As a place specified in Article 2, Clause 3 of Pharmacy Law, the place is to compound a medicine in order for a doctor to provide, but hospital dispensary is excluded.
Hospital	Domestic hospitals or clinics (excluding a maternity clinic) specified in Article 40 (Care Institution) of National Health Service Act
Hospitalization	Under a doctor's judgment that the insurant needs treatment for his/her disease or injury, the insurant is hospitalized for a doctor's treatment in a hospital, a medical institution, or equivalent places because home treatment is difficult.
Medical institution equivalent to the definition of hospitalization	Medical institutions specified in Article 3 (Medical Institution), Clause 2 such as a health center, a health medical center, a health office, a nursing home, a care facility, a welfare facility belonging to medical corps, dementia nursing home, and elderly care nursing home that are not medical institutions are excluded.
Standard hospital room	Standard hospital room for hospitalization of cancer patients compiled by the National Health Insurance Corporation
Hospital room cost	Standard hospital room cost, patient care expenses, food expenses, etc during the inpatient treatment
Hospitalization	Consultation fee, examination fee, radiation fee, administration and

expenses	prescription costs, injection costs, physical therapy (physical treatment, rehabilitation) costs, costs, treatment costs, materials costs, cast costs, selective doctor's fee the inpatient treatment
Hospitalization and surgery expenses	Operation cost, anesthesia cost, operation material cost, etc during the inpatient treatment
Hospitalization expenses	Hospital room cost, hospitalization expenses, hospitalization and surgery expenses, 6-or-more person hospital room difference
Outpatient clinic	Under a doctor's judgment that the insured (insurant) needs treatment for his disease or injury, the insured (insurant) goes to hospital for a doctor's treatment without hospitalization.
Prescription compounding	Under a doctor's judgment that the insured (insurant) needs treatment for his disease or injury, a pharmacist fills a doctor's prescription issued during the outpatient clinic (including a pharmacist's direct compounding in Korea Orphan Drug Center(KODC) and exceptional areas of separation of prescribing and dispensing drugs in accordance with Article 40, Clause 1, Item 3 of National Health Insurance Act)
Outpatient clinic expenses	Consultation fee, examination fee, radiation fee, administration and prescription costs, injection costs, physical therapy (physical treatment, rehabilitation) costs, psychotherapy costs, treatment costs, materials costs, cast costs, selective doctor's fee the outpatient clinic
Outpatient surgery expenses	Operation cost, anesthesia cost, operation material cost, etc during the outpatient treatment
Prescription compounding expenses	A pharmacy's medicine according to a doctor's prescription and a pharmacist's direct compounding expenses
Outpatient clinic expenses	Outpatient clinic expenses, outpatient surgery expenses, prescription compounding expenses
Care expenses	The following care expenses for a insured(insurant) or the dependent's disease and injury in accordance with Article 39 (Care Expenses) of National Health Service Act 1. Examination & checkup 2. Materials for drugs and medical treatment 3. Treatment of cure & surgery 4. Prevention & rehabilitation 5. Hospitalization 6. Nursing 7. Transfer
Medical care	The following care expenses for a insured(insurant) or the dependent's disease and injury in accordance with Article 7 (Details of Medical Care Expenses) of Medical Care Act 1. Examination & checkup 2. Materials for drugs and medical treatment 3. Treatment of cure & surgery 4. Prevention & rehabilitation 5. Hospitalization 6. Nursing 7. Transfer
Excess limitation in	In the event a sum of annual excess among care expenses is over

National Health Insurance Service Act	the amount agreed upon Appendix 3 in enforcement ordinance of National Health Service Act, the National Health Insurance Corporation charges for the excess amount. In the event refund standards change according to change in National Health Service Act-related laws, the Company shall follow changed standards.
Excess compensation & Excess limitation in Medical Care Act	In the event excess among care expenses is over the amount agreed upon Article 13 in enforcement ordinance of Medical Care Act, Medical Care Fund charges for the excess amount. In the event refund standards change according to change in National Health Service Act-related laws, the Company shall follow the changed standards.
Amount of compensation	Actual allotment- Amount of compensation exclusions
Compensable medical expenses	(Actual allotment - Amount of compensation exclusions) × Company's charges
Numerous insurance contracts	Two or more Medical Reimbursement Insurance Contracts (post office insurance, various deductions, three insurances for injuries, disease, and nursing, insurance & deduction contract such as a personal pension and retirement insurance that compensates for medical expenses as medical reimbursement) are coincidentally or sequently signed, and the Contract means numerous medical reimbursement insurance contracts with insurance about the same insurance accident.

## **Additional Special Clause for Hospitalization Expenses [Non-Care] of Oriental Medicine**

### **Article 1(Insurance Coverage)**

In the event the insured (insurant) is hospitalized in an oriental hospital or clinic in spite of (1) Clause 3, Item 1 hospitalization expenses by injuries or (3) Clause 3, Item 1 hospitalization expenses by diseases of Article 4 (Compensation Exceptions) in the special clause of Medical Reimbursement Expenses, the Company shall compensate for non-care medical expenses in an oriental hospital or an oriental clinic that are not included in care expenses of National Health Insurance Service Act in accordance with (1) hospitalization expenses by injuries or (3) hospitalization expenses by diseases of Article 3 (Coverage by Security Types) in the same special clause.

### **Article 2 (Compensation Exceptions)**

Company shall not compensate for the matters specified in (1) hospitalization expenses by injuries or (3) hospitalization expenses (excluding herbal treatment of Clause 3, Item 1) by diseases of Article 4 (Compensation Exceptions) in the special article of Medical Reimbursement Expenses and the expenses caused by the following reasons.

1. Oriental physical therapy (manipulation, electronic therapy, thermal therapy), car sickness, obesity, and non-smoking that are treated for purposes other than disease treatment
2. Administration and medical herbs in package simple health checkup not treatment

### **Article 3 (Limit of Compensation)**

The compensation of hospitalization expenses by injuries or hospitalization expenses by diseases including compensation of this additional special clause shall be limited to the maximum of insurance of (1) hospitalization expenses by injuries or (3) hospitalization expenses by diseases of Article 3 (Coverage by Security Types) in the same special clause.

### **Article 4 (Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses of Medical Reimbursement Expenses.

## **Additional Special Clause for Dental Hospitalization Expenses [Non-Care]**

### **Article 1(Insurance Coverage)**

In the event the insured(insurant) is hospitalized in an oriental hospital or clinic in spite of (1) Clause 3, Item 1 hospitalization expenses by injuries or (3) Clause 3, Item 1 hospitalization

expenses by diseases of Article 4(Compensation Exceptions) in the special clause of Medical Reimbursement Expenses, the Company shall compensate for non-care medical expenses in a dental hospital or a dental clinic that are not included in care expenses of National Health Insurance Service Act in accordance with (1) hospitalization expenses by injuries or (3) hospitalization expenses by diseases of Article 3(Coverage by Security Types) in the same special clause.

#### **Article 2 (Compensation Exceptions)**

Company shall not compensate for the matters specified in (1) hospitalization expenses by injuries or (3) hospitalization expenses(excluding dental treatment of Clause 3, Item 1) by diseases of Article 4(Compensation Exceptions) in the special article of Medical Reimbursement Expenses and the expenses caused by the following reasons.

1. Prosthetic dentistry, dental care, crowning with gold, false teeth, dentures, and implant expenses

#### **Article 3(Limit of Compensation)**

The compensation of hospitalization expenses by injuries or hospitalization expenses by diseases including compensation of this additional special clause shall be limited to the maximum of insurance of (1) hospitalization expenses by injuries or (3)hospitalization expenses by diseases of Article 3(Coverage by Security Types) in the same special clause.

#### **Article 4(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses of Medical Reimbursement Expenses.

## **Additional Special Clause for Non-Subscriber of National Health Insurance**

#### **Article 1(Eligible Target)**

The insured(insurant) of this additional special clause shall be a non-subscriber of National Health Insurance among those insured of medical reimbursement expenses.

#### **Article 2(Insurance Coverage)**

Special clause of Medical Reimbursement Expenses shall apply to special clause of the insured(insurant) of this additional special clause as National Health Insurance subscriber in spite of Article 3(Insurance Coverage by Security Types) and Article 4(Compensation Exceptions) of special clause in Medical Reimbursement Expenses.

#### **Article 3(Obligation to Inform after the Contract)**

① In the event the insured(insurant) acquires qualifications specified in National Health Insurance Act during a period of insurance, the insured(insurant) should inform the Company via written letter and receive confirmations of Insurance Policy.

② This special clause shall be canceled after the insured(insurant) acquires qualifications specified in National Health Insurance Act, and the Company shall return the fixed insurance calculated on the daily basis for remaining period.

#### **Article 4(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses of Medical Reimbursement Expenses.

## **Special Clause of a Liability for the Damage in a Daily Life**

#### **Article 1(Types of Insurance and Reasons for Insurance Payment)**

① In the event the insured(insurant)(hereinafter called "the Person") described in Insurance Policy and his spouse living with the insured(insurant) causes a physical injury or a loss to others because of the domestic or overseas accidents(hereinafter called "Accident") as shown below, the Company shall compensate for the damages as the Company takes a liability for any damage.

1. Sudden accidents by the possession, use, and management of the insured(insurant)'s residential house(including movables and real estate in the site) described in Insurance Policy

2. Sudden accidents in the insured(insurant)'s daily life(excluding possession, use, and management of real estate beside the house)

② Company's coverage for each accident is as follows.

1. The insured(insurant)'s liability for the victim's damages.

2. Contractor or the insured(insurant)'s expenses spent

A. Expenses or the money that was needed by the insured(insurant) for the prevention or reduction of losses in Article 5(Obligation to Prevent Losses), Clause 1, Item 1.

B. Expenses or the money that was needed by the insured(insurant) for taking measures in Article 5(Obligation to Prevent Losses), Clause 1, Item 2.

C. Legal costs, lawyer costs, and costs spent by the insured(insurant) for arbitration, reconciliation, or mediation that the insured(insurant) pays for

D. Deposit surety insurance premium within insurance amount described in Insurance Policy. However, the Company shall not take a liability to provide such surety.

E. Expenses spent by the insured(insurant) to follow the Company's request according to Article 6(Company's Resolution for a Claim for Damages), Clause 2 and 3

#### **Article 2(Reasons for Non-Payment of Insurance)**

① Company shall not compensate for losses in case of a liability for any damage caused by the following reasons.

1. Liability for the Contractor, the insured(insurant)(in case of a corporation, the director or the other company managing corporate work), or their legal representative's deliberate damages

2. Liability for any damage caused by war, revolution, rebellion, terror, riot, disturbance, strike, or similar events

3. Liability for any damage caused by earthquake, eruption, flood, tsunami or similar natural disasters

4. Liability for any damage caused by radioactivity, explosiveness, and other harmful characteristics of nuclear fuel(including used fuel as shown below) or substances(nuclear fission product) contaminated by nuclear fuel

5. Radiation exposure or damages by radioactive contamination besides Clause 4

② Company shall not compensate for damages as the Company takes a liability for the followings.

1. Liability for any damage caused directly by the performance of the insured(insurant)'s duties

2. Liability for any damage caused by real estate that the insured(insurant) possesses, uses, or manages except the house described in Insurance Policy

3. Liability for any damage caused by the insured(insurant)'s employees' physical injury(including death by injuries) while being in a workplace

4. If there is a contract about compensation for damages between the insured(insurant) and the other, the aggravated liability by the agreement

5. Liability for any damage of relatives who live with the insured(insurant)

6. In the event of damages to property that the insured(insurant) possesses, uses, and manages, liability for any loss of the person with a just right. However, a loss in a hotel room or movables of the room shall not be covered.

7. Liability for any damage caused by the insured(insurant)'s non compos

8. Liability for any damage caused by assault and battery in accordance with the insured(insurant) or his directions

9. Liability for any damage caused by possession, use, and management of airplane, ship, vehicle(excluding gravitational force-based driving force), firearm(excluding an air rifle)

10. Liability for any damage caused by house repair, renovation, new construction, or dismantling work. However, liability for any damage caused by normal maintenance shall not be covered.

11. Liability for any damage caused by illegal or violent activities

### **Article 3(Limitation on Insurance Payment)**

① Company shall pay for once insurance accident as follows. In this case, premium(insurance limit) and an excess respectively mean the amount described in Insurance Policy.

1. Damages pursuant to Article 1(Types of Insurance and Reasons for Insurance Payment), Clause 2, Item 1: Damages shall be compensated within premium(insurance limit), and in case of agreed excess, the part that exceeds the excess shall be only compensated.

2. Expenses pursuant to Article 1(Types of Insurance and Reasons for Insurance Payment), Clause 2, Item 2-'A', 'B', 'C', or 'D': Total expenses shall be compensated.

3. Expenses pursuant to Article 1(Types of Insurance and Reasons for Insurance Payment), Clause 2, Item 2-'C' or 'D': The expenses and the sum of an amount of compensation shall be covered within premium(insurance limit).

② In the event the Company compensates according to Clause 1, premium(insurance limit) minus the amount of compensation shall be compensated for the remaining insurance period.

#### **Article 4(Occurrence of Damage and Notice)**

① In the event the Contractor or the insured(insurant) has the following fact, he should inform the Company of the fact immediately.

1. If an accident occurs, the time and place of the accident, the victim's address and name, accident situation and a witness's address and name(if there is a witness)

2. In case of a claim for damages from the victim

3. In case of the victim's suit for liability for damages

② In the event damages increase due to the insured(insurant)'s late notification specified in each Item of Clause 1, the Company shall not pay for the increased damage and neither court costs nor lawyer costs if the insured(insurant) informs late in spite of Clause 1, Item 3.

#### **Article 5(Obligation to Prevent Damages)**

① Contractor or the insurant(insured) shall exercise the followings in case of insurance accidents.

1. Efforts to prevent or reduce damages(first aid for the victim, emergency convoy or measures)

2. In the event the third party puts in a claim for damages, necessary measures to keep or exercise the right shall be taken.

3. In terms of whole or partial liability for damages, if the Contractor or the insurant(insured) wants to pay(repay), approve, reconcile, sue, arbitrate, or propose or apply for a settlement, he should receive prior consent of the Company.

4. In the event insured(insurant) tries to sue for damages, he should receive prior consent of the Company.

② If the Contractor or the insured(insurant) doesn't follow the duty specified in Clause 1 without relevant reasons, the following amount shall be deducted from damages described Article 1(Types of Insurance and Reasons for Insurance Payment)

1. In accordance with Clause 1, Item 1, if the efforts are made, the amount could prevent or reduce the damage

2. In accordance with Clause 1, Item 2, the amount could receive compensation for damages from the third party

3. In accordance with Clause 1, Item 3, damages increased by lawsuit costs(expenses for arbitration or mediation) and the act without the Company's consent

#### **Article 6(Company's Resolution of a Claim for Damages)**

- ① In the event the insured(insurant) has an accident with liability for damages to the victim, the victim may claim for insurance directly to the Company within the responsible amount for the insured(insurant). However, the Company may confront the victim in the insured(insurant)'s protest at the accident.
- ② If the Company receives a claim mentioned in Clause 1, the Company should inform to the insured(insurant) immediately, and under the Company's request the Contractor and the insured(insurant) should cooperate in submitting documentary evidence, testimony, and witness attendance.
- ③ In the event the insured(insurant) receives a claim for damages from the victim and the Company recognizes the necessity, the Company's expense shall be spent to solve this instead of the Contractor or the insured(insurant). In this case, under the Company's request, the Contractor or the insured(insurant) should cooperate.
- ④ If the Contractor or the insured(insurant) doesn't cooperate on Clause 2 and 3 without relevant reasons, the Company shall not pay for increased damage accordingly.

#### **Article 7(Insurance Payment)**

- ① If the insured(insurant) makes a claim for insurance, he should submit the following documents.
  1. Insurance claim application
  2. Identification card[(photo ID or driver's license issued by the government organization, in case of an attorney, a certificate of authentic seal impression as well)]
  3. Documents proving that damages and other expenses are paid
  4. Other documents required by the Company
- ② As soon as the Company receives a claim for insurance in accordance with Clause 1, the Company shall determine insurance to compensate and the insurance to pay is decided, the Company shall provide it within 7 days. However, in case of the insured(insurant)'s claim, 50% of the Company's assumed insurance shall be provided as temporary payments even if the insurance to pay is not determined yet.
- ③ In the event the Company doesn't provide insurance even 7days after the insurance to pay is determined pursuant to Clause 2, a fixed deposit rate, which KIDI announces officially, computed at annual compound interest from the delay until the date of payment shall be provided.
- ④ If the insured(insurant) writes items of Clause 1 falsely and hides any truth, the Company shall not provide the insurance. However, if the day for payment is delayed by the Contractor or the insured(insurant)'s responsible fault, the interest for the applicable period shall not be added.

#### **Article 8(Division of Insurance)**

- ① If there is another contract(including Benefit Contract(that is signed with many Friendly Societies) to compensate risks same as the risks covered by this Contract, when the sum of

insurance calculated by each contract without another contract exceeds the loss, the Company shall compensate depending on the ratio of the abovementioned sum (total amount of insurance respectively calculated) of the insurance in this Contract. In the event this Contract and other contracts are compulsory insurances, the same provision shall be applied.

② If this Contract is not compulsory insurance and there is other compulsory insurance, the amount minus the insurance (the amount that may be compensated unless the insured (insured) is a subscriber) covered by other compulsory insurance shall be regarded as the loss so the amount of compensation shall be decided according to Clause 1.

③ Even if the insured (insured) gives up a claim for insurance of other Contract, the decision for the Company's insurance payment of Clause 1 shall not be affected.

#### **Article 9 (Fraudulent Contract)**

In the event the Company proves that the Contract has been fraudulently concluded with the Contractor, the insured (insured), or the attorney, the Company may cancel within 5 years (1 month of the date that the Company knows the fact at first) of the conclusion of a Contract.

#### **Article 10 (Subrogation Right)**

① Company has rights within insurance amount given by the Company when the Company pays insurance (including the reparations in kind). However, if the insurance compensated by the Company is part of damage to the insured (insured), the Company shall have the right without infringing the insured (insured)'s rights.

1. Claim for damages in the event the insured (insured) can receive compensation for damages from the third party,

2. Subrogation right in the event the insured (insured) acquires subrogation by making a claim for damages.

② Contractor or the insured (insured) should take necessary measures to exercise and keep rights acquired by the Company in accordance with Clause 1 and then submit evidence and documents that the Company requires.

③ In case of the insurance contract for other in spite of Clause 1 and 2, the Company shall give up the Contractor's subrogation.

#### **Article 11 (Cooperation and Subrogation for Reconciliation, Compromise, Arbitration, and Suit)**

① Company may cooperate between the insured and the victim for reconciliation, compromise, arbitration, and suit (Feststellungsklage) to decide the insured's liability for damages or handle such a procedure for the insured.

② Company cooperates or handles a procedure of Clause 1 within the insured's liability for damages (In the event there are already paid insurance or temporary payments due to the same accident, the insurance shall be deducted as follows.)

③ In the event the Company cooperates on a procedure of Clause or acts for the insured, the insured should cooperate with the Company's request and if the insured does not cooperate with the Company without relevant reasons, the increased damage shall not be compensated.

④ Company shall not follow the procedure of Clause 1 in case of the followings.

1. If the insured's liability money for damages to the victim is much more than premium described in Insurance Policy

2. If the insured doesn't cooperate without reasonable reasons

⑤ If the Company acts the procedure of Clause 1 for the insured, the Company may lend deposit to avoid provisional attachment or provisional execution and accordingly compensates for any cost for this. In this case, interest of loan is the interest yielded to deposit and the insured should transfer a claim for refund of deposit(including interest to the Company).

#### **Article 12(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause for Sexual Assault**

#### **Article 1 (Types of Insurance and Reasons for Insurance Payment)**

① Company shall pay insurance of this Special Clause in the event the insured(insurant) has the following sexual assault(hereinafter noted as 「Occurrence of Sexual Assault」 specified in the Insurance Policy.

1. Rape and sexual molestation crimes in Chapter 32 of Criminal Law

Article 297(rape)

Article 298(indecent assault)

Article 299(semi-rape, semi-indecent assault)

Article 300(criminal attempt)

Article 301(deliberate injury resulting from rape, undeliberate injury resulting from rape)

Article 301-2(deliberate killing resulting from rape, undeliberate killing resulting from rape)

Article 302(adultery with a minor)

Article 303(adultery using the work position)

Article 305(adultery and molestation of a minor)

2. Crimes in Article 339 of Criminal Law

3. Sexual assault crimes in Punishment of Sexual Assault and Protection for Victims Act(hereinafter noted as 「Special Act of the Sexual Violence」 ).

Article 5 Special robbery and rape

Article 6 Special rape

Article 7 Rape by relatives

Article 8 Adultery of disabled person

Article 8-2 Rape and molestation of an under-13 child

Article 9 Deliberate and undeliberate injury resulting from rape

Article 10 Deliberate and undeliberate killing resulting from rape

Article 11 Adultery using the work position

Article 12 Molestation in a public place

② 「Occurrence of Sexual Assault」 set forth in Clause 1 means institution of public action by the lawyer or the indictment(including a summary indictment) after the police receives the victim or the third party's report, accusation, or charge and conducts a probe into it, or arrest of the criminal even if occurrence of sexual assault is an obvious fact.

<Reference>

1. Institution of public action

A public prosecutor commits a case which justice is required to the court after he/she investigated since it was sent by the police or directly recognized. It names the institution of public action or prosecution.

2. A summary indictment

A public prosecutor claims a summary order synchronized with prosecution in case that he/she decides that for an accused man, fine is more appropriate than imprisonment or confinement. It names the summary indictment.

**Article 2(Reasons for Non-Compensation)**

Company shall not compensate only for the following sexual crimes without asking the cause indirectly or directly regardless of general terms.

1. Contractor's or the insured(insurant)'s intentional sexual assault

2. The insurance beneficiary(person who receives insurance)'s intentional sexual assault.

However, in the event of two or more insured(insurant)s, the amount to be given to the other person shall be paid.

3. Sexual assault by the Insured(Insurant)'s brain disorder

4. Sexual assault caused by war, revolution, rebellion, terror, riot, disturbance, strike, or similar events

5. Sexual assault caused by earthquake, eruption, flood, tsunami or similar natural disasters

**Article 3(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## Special Terms for Students' Movable

**Article 1 (Subject-Matter of Insurance )**

① Subject-matter of insurance only includes the building where the insured(insurant) lives, his/her residential movables, and study tools(hereinafter called "Movables"). However, even if

relatives live in the building, under rental contract, movables of his/her own room in the building are included in subject-matter of insurance.

② The insured(insurant) of Clause 1 shall be an enrolled student in the school specified in the Education Law.

#### **Article2(Scope of Subject-Matter of Insurance)**

① The goods below are not included in subject-matter of insurance.

1. Currency, securities, bankbook, ATM card, seal, post, or equivalent goods
2. Regular ticket, credit card, coupon, flight ticket, passport, or equivalent goods
3. Glasses, contact lenses, artificial teeth and legs, or similar assistance apparatuses
4. Vehicle(including three-wheeler and two-wheelers)
5. Animals and plants

② The goods below are subject-matter of insurance only if specified in Insurance Policy.

1. Jewelry, valuables(whose weight and volume is portable and price is more than 3 million won), jewel, gem, writing & drawing, antique, and sculpture, but commercial products are excluded.

2. Camera, cassette, radio, telescope, watch, and similar portable things, and professional leisure equipment

3. Microscope, drafting machine, instrument, and equivalent tools for study

4. Manuscript, drawing, blueprint, design, original thing, model, certificate, ledger, mold(iron frame), wooden pattern(wooden frame), software, or equivalent goods

#### **Article 3(Compensatory Damages)**

Company shall compensate for the following damages caused by subject-matter of insurance in accordance with these special terms.

1. Damage by fire : fire, fire fighting, evacuation by fire(including lightning)
2. Loss of a robbery: **burglary**, **malfunction**, damage, or breakage loss generated in subject-matter of insurance due to robbery or theft(including attempt)
3. Damage by explosion and rupture

#### **Article 4(Non-Compensatory Damages)**

Company does not compensate for the following damages.

1. Damages caused by the Contractor or the insured(insurant)'s intention or huge mistake
2. Damages caused intentionally by the person who is asked to use or manage subject-matter of insurance, relatives who live with the insured(insurant), or the hired person in order to receive insurance from the insured(insurant)
3. Fire and burn damages caused by earthquake, eruption, tsunami or similar natural disasters as well as war, foreign military act, renovation, rebellion, incident, riot, or equivalent events
4. Damages caused by pipeline or water pipe line break resulting from freeze
5. Damages while subject-matter of insurance is outside properties.
6. Damages unknown within 30days after the insurance accident

#### **Article 5(Notice and Inspection of Damages)**

- ① In the event damages occur in subject-matter of insurance, if there is a witness for the situation, degree, and details of the damage, the witness's address and name should be directly informed to the Company and a report about the damage should be submitted.
- ② In the event of stolen subject-matter of insurance, the content should be reported to the police.
- ③ In the event damages are larger due to the insured(insurant)'s late notice set forth in Clause 1, the Company shall not pay the increased damage.

#### **Article 6(Inspection and Decision of the Loss)**

- ① The loss to be compensated by the Company is calculated using the price of subject-matter of insurance at the time and the place of the loss.
- ② If the damage of subject-matter of insurance is repairable, the loss shall be the balance that subtracts the sum of Item 2 and 3 from the amount of Clause 1 as the loss mentioned in Clause 1.
  1. Costs necessary to return subject-matter of insurance to the former state of the loss
  2. Increase in total price of subject-matter of insurance because parts are replaced for repair
  3. In case that the remnants of repair occur, the price of remnants is regarded

#### **Article 7 (Calculation of Insurance)**

- ① Company shall be limited to the maximum of insurance specified in Insurance Policy, and in the event the premium exceeds insurable value, then the insurable value shall be the maximum.
- ② If insurance premium is less than insurable value, the Company shall provide insurance obtained by multiplying the amount calculated by Article 1 and the ratio of insurance value.

#### **Article 8(Inspection of Damages)**

- ① In the event a loss occurs in subject-matter of insurance, the Company may inspect the subject-matter of insurance and the storage place.
- ② In the event the Contractor or the insured(insurant) does not agree to cooperate with the inspection of Clause 1, the Company shall not compensate for the increased loss.

#### **Article 9(Division of Insurance)**

- ① If there is another contract to compensate risks same as the risks covered by this Contract, when the sum of insurance calculated by each contract without another contract exceeds the loss, the Company shall compensate depending on the ratio of total amount of insurance in this Contract.
- ② Even if the insured(insurant) gives up a claim for insurance of other Contract, the decision for the Company's insurance payment of Clause 1 shall not be affected.

#### **Article 10(Expenses for Damage Prevention)**

In the event the Contractor or the insured(insurant) pays the necessary and beneficial charges(hereinafter noted as "Expenses for Damage Prevention") to prevent or reduce expansion of the loss, the Company shall cover the expenses.

#### **Article 11(Limit of Insurance Payment)**

The insurance that the Company compensate shall be limited to the maximum of premium. However, Expenses for Damage Prevention of Article 10 is exceptional.

#### **Article 12(Remnants)**

① In the event every subject-matter of insurance becomes a loss, if the Company pays all insurance, then the Company shall acquire the insured(insurant)'s right for subject-matter of insurance. However, insurance premium is less than insurance value, the Company shall have the right according to the ratio of insurance value.

② In the event the part of insurance object is stolen so the Company pays the insurance with respect to the stolen part of insurance, the Company shall have the ownership according to the ratio of insurance value of insurance premium.

③ In the event the Company expresses the intention that the Company will not acquire the right described in Clause 1 and 2 and compensates the loss, the remnants shall belong to the insured(insurant).

#### **Article 13(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clauses for Group Contract**

#### **Article 1(Application Scope of the Contract)**

① This special clause covers only the case that the group or the group leader signs a Contract for the members of the groups below as the insured(insurant).

1. Organization with more than 5 members such as the same company, a business unit, a public office, a government-operated enterprise, and a union(However, in the event of the organization categorized into a business unit, an office, and an occupation, relevant rules shall determine whether or not member belong to the organization.)

2. Organization with more than 5 members as a trade association, a non-profit corporate organization, a bar association, or a medical association.

3. Organization with more than 5 members, which has certain number of members and homogeneity of risks, which is possible to be managed as a whole.

② In the event that part of the group members are designated as the insured(insurant) in spite of Clause 1, the group's risks and the insured group's risks are homogeneous and the following terms of each Item should be fulfilled(However, the contract applying the same premium rate as personal insurance shall be excluded.).

1. Contract should be agreed between management and labor according to the company bylaws and in this case the group or the group leader should pay part of insurance.

2. The group applied in Clause 1, Item 2 and 3 should conclude an agreement between the representative and the Insurance Company under the company bylaws

#### **Article 2(Contractor)**

Contractor specified in this special clause may exercise all rights and duties pursuant to the Contract on behalf of the group of Article 1(Scope of Contract Application).

#### **Article 3(Scope of Insured(Insurant))**

The insured(insurant) is one of members of the organization in Article 1(Application Scope of Contract) of this special clause and may designate his/her spouse, child, parents, and parents in-law as the insured(insurant).

#### **Article 4(Insured(Insurant)'s Change)**

① In the event of any change in the insured(insurant) due to the reasons such as a group member's entrance or retirement, the Contractor may change the insured(insurant) with the Company's consent.

② Any increase, decrease, and replacement of the insured(insurant) is as follows.

1. If the Contractor in the insured(insurant) wants to increase, decrease, and replace the insured(insurant), he should inform the Company of the fact with written notice and accept the Company's consent.

2. In case of decrease in the insured(insurant) during the term of this Contract, the insured(insurant)'s Contract shall be canceled and the newly increased or replaced insured(insurant)'s insurance period is the rest of the term insured and accordingly the addition or insurance refund shall be calculated and received on the daily basis.

3. In case of violation against Clause 2, Item 1 and 2, the Company shall not compensate newly increased or replaced insured(insurant).

#### **Article 5(Switch to Case by Case Contract)**

① In the event the insured(insurant) leaves a group for reasons such as retirement, the insured(insurant) may switch to Case by Case Contract with the Company's consent only if the insured(insurant) pays part of premium, and the insured(insurant) shall be a Contractor of Case by Case Contract.

② In case of switch to Case by Case Contract according to Clause 1, the insured(insurant)'s term insured shall be the rest of the Contract period, and accordingly the addition or insurance refund shall be calculated and received on the daily basis.

#### **Article 6(Particular Principle)**

Company shall issue Insurance Policy only to the Contractor. However, in case of the Contractor or the insured(insurant)'s request, the Company shall provide the issued Insurance

Policy to the insured(insurant).

#### **Article 7(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Additional Special Clause for Insurance Settlement of Group Contract**

#### **Article 1 (Settlement of Insurance)**

①Company shall pay insurance in accordance with this additional special clause (hereinafter called "Special Clause") in spite of Article 4(Change in the Insured(Insurant), Clause 2, Item 2 of this Special Clause of Group Contract

②Even if insurance is not settled in spite of Article 4 (Change in the Insured (Insurant), Clause 2, Item 3, the Company shall indemnify the newly increased or replaced insured (insurant) for a loss.

#### **Article2 (List of the Insured (Insurant))**

Contractor should have a list of the insured (insurant) to read for any request of the Company.

#### **Article 3 (Deposit Premium)**

Deposit premium shall be based on an insurance premium rate applied in the daily average number of members for one month before conclusion of a Contract.

#### **Article 4( Settlement Method of Insurance Premium)**

The premium is calculated based on increase and decrease in the number of insured (insurant) as follows.

1. Contractor should submit documents about the number of insured (insurant) by 10th of every month before the end of the previous month. However, in the event of invalidity or the cancelation of the Contract, necessary documents should immediately be sent to the Company to calculate insurance as soon as the Contract is invalid or canceled.
2. In the event the Company needs to calculate insurance during a term insured or after the termination of the insurance Contract, the Company may open the Contractor's document.
3. As soon as the Contract is terminated, the Company shall calculate the balance by comparing the fixed insurance calculated by the number of insured (insurant) with deposit insurance calculated for conclusion of the Contract.

#### **Article 5 (Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause for Treated Group Contract**

#### **Article 1 (Application Scope of the Contract)**

This special clause covers only if a sign aiming at the group with 5 or more members except the following groups:

1. Organization with more than 5 members such as the same company, a business unit, a public office, a government-operated enterprise, and a union. (However, in the event of the organization categorized into a business unit, an office, and an occupation, relevant rules shall determine whether or not member belong to the organization.)
2. Organization with more than 5 members as a trade association, a non-profit corporate organization, a bar association, or a medical association.
3. Organization with more than 5 members, which has certain number of members and homogeneity of risks so can manage the contract.

#### **Article 2 (Contractor)**

Contractor specified in this special clause may exercise all rights and duties pursuant to the Contract on behalf of the group of Article 1 (Scope of Contract Application).

#### **Article 3 (Increase, Decrease, and Replacement in the Insured (Insurant))**

- ① If the Contractor in the insured (insurant) wants to increase, decrease, and replace the insured (insurant), he should inform the Company of the fact with written notice and accept the Company's consent.
- ② In case of decrease in the insured (insurant) during the term of this Contract, the insured (insurant)'s Contract shall be canceled and the newly increased or replaced insured (insurant)'s insurance period is the rest of the term insured and accordingly the addition or insurance refund shall be calculated and received on the daily basis.
- ③ In case of violation against Clause 2, Item 1 and 2, the Company shall not compensate newly increased or replaced insured (insurant).

#### **Article 4 (Particular Principle)**

Company shall issue Insurance Policy only to the Contractor. However, in case of the Contractor or the insured (insurant)'s request, the Company shall provide the issued Insurance Policy to the insured (insurant).

#### **Article 5 (Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Additional Special Clause for Settlement of Insurance of Treated Group Contract**

#### **Article 1 (Settlement of Insurance)**

①Company shall pay insurance in accordance with this additional special clause (hereinafter called "Special Clause") in spite of Article 3 (Increase, decrease, and replacement in the Insured (Insurant), Clause 2 of this Special Clause of Group Contract

②Even if insurance is not settled in spite of Article 3 (Increase, decrease, and replacement in the Insured(Insurant), Clause 3, the Company shall indemnify the newly increased or replaced insured (insurant) for a loss.

#### **Article2 (List of the Insured (Insurant))**

Contractor should have a list of the insured (insurant) to read for any request of the Company.

#### **Article 3 (Deposit Premium)**

Deposit premium shall be based on an insurance premium rate applied in the daily average number of members for one month before conclusion of a Contract.

#### **Article 4 (Settlement Method of Insurance Premium)**

The premium is calculated based on increase and decrease in the number of insured (insurant) as follows.

1. Contractor should submit documents about the number of insured (insurant) by 10th of every month before the end of the previous month. However, in the event of invalidity or the cancelation of the Contract, necessary documents should be immediately sent to the Company to calculate insurance as soon as the Contract is invalid or canceled.
2. In the event the Company needs to calculate insurance during a term insured or after the termination of the insurance Contract, the Company may open the Contractor's document.
3. As soon as the Contract is terminated, the Company shall calculate the balance by comparing the fixed insurance calculated by the number of insured (insurant) with deposit insurance calculated for conclusion of the Contract.

#### **Article 5(Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause VI for Premium Payment in Installments**

#### **Article 1 (Premium Payment in Installments)**

Contractor shall pay insurance premium in ( ) installments.

#### **Article 2 (Divided Payments of Premium)**

Contractor should pay divided payments of premium (insurance payment on an installment basis) by the appointed date as follows.

1. 2 installments: One installment (70%) shall be paid on \_\_\_\_ (date) when a contract is signed.

Two installments (30%) shall be paid on \_\_\_\_ (date).

2. 4 installments: One installment (40%) shall be paid on \_\_\_\_ (date) when a contract is signed.

Two installments (30%) shall be paid on \_\_\_\_ (date).

Three installments (15%) shall be paid on \_\_\_\_ (date).

Four installments (15%) shall be paid on \_\_\_\_ (date).

3. 12 installments: 12 installments shall be paid as follows.

One installment shall be paid on \_\_\_\_ (date) when a contract is signed.

Other installments after the first installment shall be paid on \_\_\_\_ (date).

### **Article 3 (Deductions on Outstanding Premium)**

In the event the Company compensates in accordance with the Contract and insurance is over the already received premium, the Company shall provide the balance after deducting the total outstanding premium.

### **Article 4 (Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause VII for Premium Payment in Installments**

### **Article 1 (Premium Payment in Installments)**

Contractor shall pay insurance premium in ( ) installments.

### **Article 2 (Divided Payments of Premium)**

Contractor should pay divided payments of premium (insurance payment on an installment basis) by the appointed date as follows.

1. In case of 2-year Contract

1) 2 installments: Two divided payments shall be paid as follows.

One installment (70%) shall be paid on \_\_\_\_ (date) when a contract is signed.

Other installments after the 2nd installment shall be paid on \_\_\_\_ (date).

2) 24 installments: 24 divided payments shall be paid as follows.

One installment (70%) shall be paid on \_\_\_\_ (date) when a contract is signed.

Other installments after the 2nd installment shall be paid on \_\_\_\_ (date).

2. In case of 3-year Contract

1) 3 installments: Three divided payments shall be paid as follows.

One installment (70%) shall be paid on \_\_\_\_ (date) when a contract is signed.

Other installments after the 2nd installment shall be paid on \_\_\_\_ (date).

2) 36 installments: 36 divided payments shall be paid as follows.

One installment (70%) shall be paid on \_\_\_\_ (date) when a contract is signed.

Other installments after the 2nd installment shall be paid on \_\_\_\_ (date).

### **Article 3 (Deductions on Outstanding Premium)**

In the event the Company compensates in accordance with the Contract and insurance is over the already received premium. The Company shall provide the balance after deducting the total outstanding premium.

### **Article 4 (Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **Special Clause for An Authorized Agent's Claim Service**

### **Article 1 (Target of Application)**

Under this special clause (hereinafter noted as "Special Clause"), the Contractor, the insured (insurant), or the insurance beneficiary (person who receives insurance) is applied to general clauses or special clauses.

### **Article 2 (Conclusion and Cancellation of Special Clause)**

① This Special Clause is made under the Contractor's claim and the Insurance Company's acceptance. (An insurance contractor hereinafter noted as "Contractor" and an insurance company as "Company".)

② In the event the Contract of Article 1 (Target of Application) is canceled or invalid for any reason, this Special Clause shall be no longer in effect.

### **Article 3 (Designation of an Authorized Agent Claimant)**

① If the Contractor signs a Contract in case he/she may not claim insurance specified in general clauses or special clauses or after conclusion of the Conclusion, the Contractor may designate (including Selection of Change pursuant to Article 4) one of those who are applied to the following Items-1 as an authorized agent claimant of insurance (hereinafter called "Authorized Agent Claimant"). However, the authorized agent claimant should be applied to the following Items-1 in case of a claim for insurance.

1. A spouse who cohabits or lives together with the insured (insurant) and is specified on the insured (insurant)'s family relationship register or resident registration

2. In the event an insurant beneficiary (person who receives insurance) of Article 1 (Target of Application) is changed after the designation of Authorized Agent Claimant in spite of Clause 1, the already designated Authorized Agent Claimant shall be disqualified.

#### **Article 4 (Change of Authorized Agent Claimant)**

Contractor may change and select an Authorized Agent Claimant after submitting the following documents. In this case, the Company informs him/her in writing or by writing on the back of Insurance Policy.

1. Application for change of the Authorized Agent Claimant (the Company's form)
2. Insurance Policy
3. Authorized Agent Claimant's resident registration and family relationship register (basic certificates)
4. ID cards (Government-issued photo ID or driver's license, unless ID does not match the Contractor, the authentication certificate of his seal is included.)

#### **Article 5 (Procedures of Insurance Payment)**

① Authorized Agent Claimant may claim insurance (excluding a death benefit) as an agent of insurance beneficiary (person who receives insurance) of Article 1 by submitting documents specified in Article 6 (Documents for Insurance Claim) as well as documents proving a special reason why the insurance beneficiary (person who receives insurance) of Article 1 (Target of Application) cannot claim insurance by himself/herself and may receive insurance with the Company's consent.

② In the event the Company pays insurance to the Authorized Agent Claimant, even if there is another insurance claim, the Company shall not pay it.

#### **Article 6 (Necessary Document for Insurance Payment)**

Authorized Agent Claimant should submit the following documents and pay premium under the Company's regulations.

1. Application( the Company's form)
2. Accident certificate
3. Identification card (the government-issued photo ID or driver's license)
4. Insurant's authentication certificate of his seal
5. Insurant and the Authorized Agent Claimant's family relationship register (family relationship certificate) or ID
6. Authorized Agent Claimant's documents for submission in order to receive insurance

#### **Article 7 (Application of Provision)**

Matters that are not specified in this special clause shall follow general clauses.

## **【Appendix1】 Classification of Disabilities**

### **①General Provisions**

#### **1. Definition of Disabilities**

- 1) "Disabilities" mean permanent mental or physical injuries that remain in the body after the treatment of injuries or diseases. However, temporary symptoms from treatment of main diseases and complications are not included in the disabilities.
- 2) "Permanent", in principle, means mental or physical injuries that are not medically curable.
- 3) "Post-treatment" means the status that treatment effect of injuries or disease is no longer expected and the symptom becomes regular.
- 4) However, with respect to temporary disabilities that are not regular symptoms, 20% of the relevant injury insurance shall be received in case of 5 year or more duration of the disability.

#### **2. Body Parts**

"Body Parts" mean 13 parties of ① eye ② ear ③ nose ④ function to chew or speak ⑤ appearance ⑥ spine(backbone) ⑦ skeleton ⑧ arm ⑨ leg ⑩ finger ⑪ toe ⑫ thoracoabdominal organ and urogenital organs ⑬ neuropsychiatric behaviors, and each of them is regarded as the same body part. However, left and right eyes, ears, arms, and legs are each regarded as a body part.

#### **3. Others**

- 1) If an injury is derived from other injury in two more body parts or the same body part specified in Classification of Disabilities according to the way it is observed, the higher insurance among them shall be applied only.
- 2) If two or more disabilities occur in the same body, the higher insurance among them shall be applied. However, if there are separate criteria for each body in Classification of Disabilities, the criteria shall be followed.
- 3) If the Contractor is medically declared brain-dead without breathing and heartbeat and is saving his breath on a pulmotor, brain-death shall not be the target to inspect disabilities.
- 4) Diagnosis of disabilities should need to contain ① diagnosis title and occurrence time of disabilities ② symptom and degree of disabilities ③ cause-and-effect relationship with the accident and involvement of the accident ④ future treatment and improvement. However, in case of neuropsychiatric behaviors, ① treatment ② objective reasons and details of treatment should be additionally written.

### **②Criteria for Classification of Disabilities**

#### **1. Eye Disabilities**

#### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) Blind in both eyes	100
2) Blind in an eye	50
3) If corrected eye sight in one eye is below 0.02	35
4) If corrected eye sight in one eye is below 0.06	25
5) If corrected eye sight in one eye is below 0.1	15
6) If corrected eye sight in one eye is below 0.2	5
7) Movement disorders or clear functional disorders in one eye	10
8) Narrowness of visual field, hemianopia, visual field stenosis, and scotoma in one eye	5
9) Clear defect of one eyelid	10
10) Clear movement disorders of one eyelid	5

#### B. Criteria for Disabilities

- 1) Visual disturbance shall be measured by authorized eyesight test chart.
- 2) "Corrected eyesight" means vision corrected by glasses (including all kinds of correction tools such as contact lens)
- 3) "Blind of an eye" means extraction of pupil and the symptom that he/she cannot sense light ("NLP: Non Light Perception) or can only sense light (LP: Light Perception).
- 4) The degree of eye movement disabilities shall be determined one year after the occurrence of the injury.
- 5) "Clear Eye Movement Disabilities" means the symptom when the range of movements of visual field decreases by half or when double vision (seeing of a single object as two objects) occurs in case of front binocular vision.
- 6) "Clear Control Function Disorders of Eye" means the symptom when the control function is reduced by half. However, people over 45 who are naturally deemed to have decrease in the control function are excluded.
- 7) "Narrowness of Visual Field" means that the sum of visual angles are limited below 60%.
- 8) "Clear defect in one eyelid" means that when one closes eyes, the cornea (the iris of the eye) is not covered completely due to defect in eyelid.
- 9) "Clear movement disorders in eyelid" means that when one opens eyes, his/her pupil is covered more than half or when one closes eyes, he/she cannot close cornea completely.
- 10) If eyes should be inevitably extracted by an injury or fire, bad appearance (scar) shall be added. If even pupil extraction makes artificial eye unavailable due to eyeball's sunken tissues and if artificial eye could be inserted as "clear bad appearance (scar)", insurance "slight bad appearance(scar)"v shall be added.
- 11) "Clear defect of eyelid" includes bad appearance (scar) so does not add disability of bad appearance (scar). However, with respect to bad appearance (scar) on the face, a more beneficial method to the insured between two methods to determine disabilities shall be applied.

## 2. Disabilities of Ear

### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) If one completely loses his hearing	80
2) If one is deaf in an ear and has serious hearing difficulty in the other ear	45
3) If one is deaf in an ear	25
4) If one has serious hearing difficulty in the other ear	15
5) If one has slight hearing difficulty in the other ear	5
6) If one has serious defect in earflap	10

### B. Criteria for Disabilities of Ear

1) Disabilities of ear is marked as (dB: decibel) according to the result of pure-tone audiometry and applied according to pure tone average (PTA) after a hearing test more than three times.

2) "If one is deaf in an ear" means that PTA is over 90dB as the result of pure-tone audiometry.

3) "If one has serious hearing difficulty" means that PTA is over 70dB as the result of pure-tone audiometry so one cannot hear big voices unless he/she is heard into the ear.

4) "If one has slight hearing difficulty" means that PTA is over 70dB as the result of pure-tone audiometry and only can hear voices within 50 cm.

5) If it is hard to conduct pure-tone audiometry or verification on the test result is required, disabilities shall be determined after additional tests such as "Speech Audiometry", immittance audiometry, Auditory Brainstem Response(ABR), Bekesy Audiometer, and otoacoustic emission test(OAE)".

### C. Defect in earflap

1) "Serious defect in earflap" means that more than half of cartilage earflap is damaged, and if cartilage defect of earflap is less than half and has no functional disorder, then it shall be regarded as bad appearance (scar) disability.

## 3. Disabilities of Nose

### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) If one loses a function of the nose completely	15

### B. Criteria for Disabilities

- 1) "If one loses a function of the nose completely" means difficult breathing of the nose or loss of smell, and hyposmia shall not be a target of disabilities.
- 2) If bad appearance (scar) disability of the nose is accompanied, this shall be added to functional disorders respectively and then provided.

#### 4. Chewing and Speaking Disabilities

##### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) Serious disabilities of both chewing and speaking	100
2) Serious disabilities of chewing or speaking	80
3) Clear disabilities of both chewing and speaking	40
4) Clear disabilities of chewing or speaking	20
5) Slight disabilities of both chewing and speaking	10
6) Slight disabilities of chewing or speaking	5
7) More than 14 defects in teeth	20
8) More than 7 defects in teeth	10
9) More than 5 defects in teeth	5

##### B. Criteria for Disabilities

- 1) Disabilities of chewing are generally determined according to alignment in the upper and bottom teeth, arrangement, opening and closing of movement of the bottom chin, and deglutition.
- 2) "Serious disabilities of chewing" mean non-chewing of food except water or equivalent food.
- 3) "Clear disabilities of chewing" mean non-chewing of food except thin rice gruel or similar food( porridge).
- 4) "Slight disabilities of chewing" mean that chewing solid food(rice, bread) is possible but chewing in pieces is clearly limited.
- 5) "Clear disabilities of speaking" mean speaking disorders of three out of four types as shown below.
  - ① Labial sound(ㅁ, ㅂ, ㅍ)
  - ② Lingual sound(ㄴ, ㄷ, ㄹ)
  - ③ Palatal sound (ㄱ, ㅋ, ㆁ)
  - ④ Guttural sound(ㅇ, ㅎ)
- 6) "Clear disabilities of speaking" mean speaking disorders of two out of the four sounds in 5).
- 7) "Slight disabilities of speaking" mean speaking disorders of 1 out of the four sounds in 5).
- 8) Aphasia caused by the damage in the speech-control centers of the brain is regarded as a disability of speaking disorder.
- 9) "Defect of teeth" means loss of teeth and the nerve death of a tooth or its 1/3 or more fracture
- 10) Dental abutment crown or oral installment teeth, post, and inlay in case of prosthetic dentistry such as dental prosthesis or false teeth shall not be regarded as a defective tooth.
- 11) If a new tooth is damaged regardless of problems from the size, gap, and alignment of

tooth.

12) Tooth that may grow newly like a children's milk tooth shall not be a target of permanent disabilities.

13) Defect in a false tooth detachable to the part of body shall not be a target of permanent disabilities.

## 5. Bad appearance(scar) Disabilities

### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) If clear bad appearance(scar)	15
2) If slight bad appearance(scar)	5

### B. Criteria for Disabilities

- 1) "Appearance" means a face(including the eye, nose, ear, mouth), a head, a neck.
- 2) "Bad appearance(scar) disabilities" mean permanent bad appearance(scar) even after plastic surgery and the scar that can be reduced by reconstructive surgery is excluded.
- 3) "If there is bad appearance(scar)" means dyschromia, hair damage, tissue(bone, skin) damage and dent caused by a scar and a burn, which is not removed even after plastic surgery.

### C. Clear bad appearance(scar)

- 1) Face
  - ① Half palm-sized scar on the face
  - ② 10cm or longer Cicatrix(horrible scar)
  - ③ Tissue dent with 5cm in diameter
  - ④ More than half of nose defect
- 2) Head
  - ① Palm-sized cicatrix and hair loss
  - ② Palm-sized wound and damage in head bone
- 3) Neck  
Palm-sized scar

### D. Slight bad appearance(scar)

- 1) Face
  - ① 1/4 palm-sized scar on the face
  - ② 5cm or longer Cicatrix(horrible scar)
  - ③ Tissue dent with 2cm in diameter
  - ④ More than 1/4 of nose defect
- 2) Head
  - ① Half palm-sized cicatrix and hair loss
  - ② Half palm-sized wound and damage in head bone
- 3) Neck

Half palm-sized scar

#### E. Palm Size

"Palm-sized" means the size of palm except a patient's fingers, and normally 8×10cm(1/2 size is 40cm<sup>2</sup>, 1/4 size is 20cm<sup>2</sup>) for adults over 12, 6×8cm(1/2 size is 24cm<sup>2</sup>, 1/4 size is 12cm<sup>2</sup>), for those who are 6~11, and 4×6cm(1/2 size is 12cm<sup>2</sup>, 1/4 size is 6cm<sup>2</sup>) is for people under 6.

### 6. Spine(Backbone) Disabilities

#### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) Serious movement disorders in spine	40
2) Clear movement disorders in spine	30
3) Slight movement disorders in spine	10
4) Serious malformation in spine	50
5) Clear malformation in spine	30
6) Slight malformation in spine	15
7) Serious slipped disk(so-called disk)	20
8) Clear slipped disk(so-called disk)	15
9) Slight slipped disk(so-called disk)	10

#### B. Criteria for Disabilities

1) Spine(backbone) regards the areas under the cervical vertebral(neck bone) as the same part.

2) Serious movement disorders

4 or more vertebral bodies'(body of backbone) agglutination or fixed status due to vertebral body fracture or dislocation

3) Clear movement disorders

① 3 vertebral bodies'(body of backbone) agglutination or fixed status due to vertebral body fracture or dislocation

② Clear potentials between head bone and upper cervical vertebral(upper neck bone:1st & 2nd neck bone)

4) Slight movement disorders

Two vertebral bodies'(body of backbone) agglutination or fixed status due to vertebral body fracture or dislocation

5) Serious deformation

35° or more lordosis and cyphosis(abnormal retroverse curvature of the spine) or 20° or more lordosis and scoliosis(abnormal lateral curvature of the spine) due to vertebral body fracture or dislocation

6) Clear deformation

15° or more lordosis and cyphosis(abnormal retroverse curvature of the spine) or dislocation or 10° or more lordosis and scoliosis(abnormal lateral curvature of the spine) due to spine

fracture

7) Slight deformation

Slight lordosis and cyphosis(abnormal retroverse curvature of the spine) or coliosis(abnormal lateral curvature of the spine) due to fracture or dislocation of one or more spines

8) Serious slipped disk(so-called disk)

In case of a surgery for more than 2 disks due to serious slipped disk(so-called disk), or 2 or more surgeries for even one disk, clear paraparesis by Cauda Equina Syndrome(CES) or illeus and urinary disorder

9) Clear slipped disk(so-called disk)

In the event clear neurological symptoms through surgery for one disk and disorder through a special auxiliary test are found and imperfect palsy of spinal nerve root is acknowledged

10) Slight slipped disk(so-called disk)

In the event that slipped disk lesion is found through special tests(CT, MRI) and medically acknowledged as sciatica(radiating pain) or par(a)esthesia

11) In case of the diagnosis of slipped disk(so-called disk), it is not evaluated as a movement disorder or a deformation disorder regardless of whether a surgery is available or not.

## 7. Disabilities of Skeleton

### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) Deformation in shoulder blades and pelvic bones	15
2) Deformation in clavicles, breastbones, and ribs	10

### B. Criteria for Disabilities

1) "Skeleton" includes shoulder blades, pelvic bones, clavicles, breastbones, and ribs which are regarded as the same part.

2) "Clear deformation" of the pelvic bones is as follows.

① Sacroiliac joints or pubic bone anastomosis is cured when they are separated, the hipbone is separated from more than 2.5cm causing vicious union, or women's pelvis deformation that may hinder delivery still remains.

② Clear deformation(including defect) when naked, 20° or more deformation found by radiographic inspection

3) "Clear deformation(including defect) in shoulder blades, pelvic bones, clavicles, breastbones, and ribs" when naked, and 20° or more deformation found by radiographic inspection

4) Deformation of ribs is regarded as one disability in whole, regardless of the number, degree, and the area.

## 8. Disabilities of Arm

### A. Classification of Disabilities

Classification of Disabilitie	Rate of Insurance
1) When one loses both wrists	100
2) When one loses one wrist	60
3) When one loses one joint among three major joints in an arm	30
4) When one has serious functional disability of one joint among three major joints in an arm	20
5) When one has clear functional disability of one joint among three major joints in an arm	10
6) When one has slight functional disability of one joint among three major joints in an arm	5
7) When one has clear disability of false joint	20
8) When one has slight disability of false joint	10
9) When one has deformation in an arm	5

#### B. Criteria for Disabilities

- 1) If a metallic internal fixture in fractured bones is used so that it causes a functional disability, then the internal fixture is removed to determine the disability.
- 2) Functional disorder(e.g the affected area fixed by cast causes a functional disorder in joints after treatment) caused by non-use of joints and temporary disabilities are not compensated for disabilities.
- 3) "Arm" is from shoulder joint to wrist joint.
- 4) "Three major joints of arm" include shoulder joint, elbow joint, and wrist joint.
- 5) "Disorder in one wrist" means when an arm is cut at the proximal part from wrist joint and cut at the upper elbow joint.
- 6) "Criteria for functional disorder in arm joints" are based on the restriction of joint movement in three major joints in an arm. Each joint's movement range is measured by A.M.A. normal angle and measurement methods of "Criteria for Permanent Physical Disability", and in case of the mark of joint disorder disabilities, the angle of the disability and the measures of normal areas should be determined at the same time to clarify the status of disabilities.
  - A) "When one loses the function completely" means
    - ① In case of insertion of complete ankylosis(joint stiffness), artificial joint or artificial condyle
    - ② If there is complete palsy through electromyography and muscular is "0(Zero) Level" from the muscular strength test
  - B) "Serious disabilities" mean
    - ① Total range of movement in the joints is limited below 1/4.
    - ② If there is serious palsy through electromyography and muscular is "1(Trace) Level" from the muscular strength test.
  - C) "Clear disabilities" mean
    - ① Total range of movement in the joints is limited below 1/2.
  - D) "Slight disabilities" mean
    - ① Total range of movement in the joints is limited below 3/4.

- 7) "If clear disability remains due to false joint" means false joint in humerus or false joint in both the hipbone and the ulna.
- 8) "If slight disability remains due to false joint" means false joint in either the hipbone or the ulna.
- 9) "If deformation in bone" means that deformation in humerus or the hipbone and the ulna causes deformation with 15° or more vicious union compared to the normal status

#### C. Decision of Rate of Insurance

- 1) The rate of insurance for permanent disability of 1 upper limb (arm and finger) is basically aggregated but the insurance shall be limited to 60%.
- 2) If one joint out of three joints in an arm has functional disorder and another joint has functional joint, insurance for each shall be applied and aggregated.

### 9. Disabilities of Leg

#### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) When one loses function of two legs	100
2) When one loses function of a leg	60
3) When one loses function of one joint out of three joints in a leg	30
4) When one has serious disorder of one joint out of three joints in a leg	20
5) When one has serious functional disorder of one joint out of three joints in a leg	10
6) When one has slight functional disorder of one joint out of three joints in a leg	5
7) When one has clear disorder due to artificial joint in a leg	20
8) When one has slight disorder due to artificial joint in a leg	10
9) When one has deformation in a leg	5
10) When a leg gets shorter by more than 5cm	30
11) When a leg gets shorter by more than 3cm	15
12) When a leg gets shorter by more than 1cm	5

#### B. Criteria for Disabilities

- 1) If a metallic internal fixture in fractured bones is used so it causes a functional disability, then the internal fixture is removed to determine the disability.
- 2) A functional disorder (e.g. the affected area fixed by cast causes a functional disorder in joints after treatment) caused by non-use of joints and temporary disabilities are not compensated for disabilities.
- 3) "Leg" is from coxa to ankle joint.
- 4) "Three major joints of a leg" include hip joint, knee joint, and ankle joint.
- 5) "If one loses function of joint in a leg" means when a leg is cut at the proximal part from

ankle joint and cut at the upper knee joint.

6) "Criteria for functional disorder in leg joints" are based on restriction and mobility of joint movement in three major joints in limbs. Each joint's movement range is measured by A.M.A. normal angle and measurement methods of "Criteria for Permanent Physical Disability", and in case of the mark of joint disorder disabilities, the angle of the disability and the measures of the normal areas should be determined at the same time to clarify the status of disabilities.

A) "When one loses the function completely" means

- ① In case of insertion of complete ankylosis(joint stiffness), artificial joint or artificial condyle
- ② If there is complete palsy through electromyography and muscular is "0(Zero) Level" from the muscular strength test

Classification of Disabilities	Rate of Insurance
1) If one loses Lisfranc joint of a foot	40
2) If one loses five toes of a foot	30
3) If one loses the 1st toe of a foot	10
4) If one loses other four toes except the 1st toe(per toe)	5
5) If one loses partial bones of five toes of a foot or has clear disability	20
6) If one loses partial bones of the 1st finger of a foot or has clear disability	8
7) If one loses other four toes of a foot except the 1st toe or has a clear disability(per toe)	3

B) "Serious disabilities" mean

- ① Total range of movement in the joints is limited below 1/4.
- ② In case of 15mm or more flail joint(shaking or moving joint) through an objective test(stress X-ray)
- ③ If there is serious palsy through electromyography and muscular is "1(Trace) Level" from the muscular strength test.

C) "Clear disabilities" mean

- ① Total range of movement in the joints is limited below 1/2.
- ② In case of 10mm or more flail joint(shaking or moving joint) through an objective test(stress X-ray)

D) "Slight disability" means

- ① Total range of movement in the joints is limited below 3/4.
- ② In case of 5mm or more flail joint(shaking or moving joint) through an objective test(stress X-ray)

7) "If clear disability remains due to false joint" means false joint in the thighbone both the shinbone and the fibula.

8) "If slight disability remains due to false joint" means false joint in either the shinbone or the fibula.

9) "If deformation in bone" means that deformation in a thighbone or the shinbone causes deformation with 15° or more vicious union compared to the normal status.

10) For the shorten leg, the decrease is calculated by measuring from anterior superior iliac

spine to the inside and bottom of the tibia and comparing with a normal leg's length. If bony landmark to measure the length of a leg is not exact or a reduction disability of leg is ambiguous, the reduction of a leg is measured by scanogram.

C. Decision of Rate of Insurance

- 1) The rate of insurance for permanent disability of 1 lower limb (arm and finger) is aggregated but the insurance shall be limited to 60%.
- 2) If one joint out of three joints in a leg has functional disorder and another joint has functional joint, insurance for each shall be applied and aggregated.

**10. Disabilities of Finger**

A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) If one loses five fingers in a hand	55
2) If one loses the first finger in a hand	15
3) If one loses four fingers except the first finger in a hand (per finger)	10
4) If one loses part of 5 finger bones in a hand or has a clear disability	30
5) If one loses part of the first finger or has a clear disability in a hand	10
6) If one loses four finger bones except the first finger's or has a clear disability (per finger)	5

B. Criteria for Disabilities

- 1) The first finger has two knuckles. They are called a Metacarpophalangeal Joint and an interphalangeal joint in nearest order to the heart.
- 2) The other four fingers have three knuckles. Among them, they are called a Metacarpophalangeal Joint, the 1st interphalangeal joint (Proximal Interphalangeal Joint), and the 2nd interphalangeal joint (Distal Interphalangeal Joint) in nearest order to the heart.
- 3) "If one loses a finger" means that one loses the first finger close to the heart from an interphalangeal joint while one loses other four fingers close to the heart from the 1st interphalangeal joint (Proximal Interphalangeal Joint).
- 4) "If one loses part of finger bones" means that one loses finger bones that are far to the heart from an interphalangeal joint of the first finger and the first interphalangeal joint (Proximal Interphalangeal Joint) of other four fingers, or bone chips are certainly shown in a X-ray photograph.
- 5) "If one has a clear disability in a finger" means that physical movement area is reduced by more than half of normal movement area, and this case is determined by measuring flexion-extension areas of knuckles. For other four fingers except the first finger, when flexion-extension areas of the 1st and 2nd phalangeal joints are aggregated, the normal flexion-extension area is lower than 1/2.
- 6) If a finger has a disability and another finger has a disability, the insurance for each shall be applied and added up.

## 11. Disabilities of Toe

### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) In case that more than Lisfranc's articulation of one foot is lost	40
2) In case that 5 toes of one foot are lost	30
3) In case that the first toe of one foot is lost	10
4) In case other toes excluding the first toe of a foot are lost (for each toe)	5
5) In case all of 5 toes including of bone parts of a foot are lost or there is obvious disabilities	20
6) In case a part of bones of the first toe of a foot is lost or there is obvious disabilities	8
7) In case a part of bones excluding the first toe of a foot is lost or there is obvious disabilities (for each toe)	3

### B. Criteria for Disabilities

- 1) "If one loses a toe" means that one loses the first toe close to the heart from an interphalangeal joint while one loses other four fingers close to the heart from the 1st interphalangeal joint(Proximal Interphalangeal Joint).
- 2) "If one loses lisfranc joint" means that joints between tarsus and metatarsal are cut off.
- 3) "If one loses part of toe bones" means that one loses toe bones that are far to the heart from an interphalangeal joint of the first toe and the first interphalangeal joint(Proximal Interphalangeal Joint) of other four toes, or cuts on the toe are the target of disability.
- 4) "If one has a clear disability in a toe" means that physical movement area is reduced by more than half of normal movement area, and this case shall be determined by measuring flexion-extension of toe joints that are a major function of toes.
- 5) If a toe has a disability and another toe has disability, the insurance for each shall be applied and added up.

## 12. Disabilities in Thoracoabdominal Organs and Urinogenital Organs

### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) If one has a serious functional disability of thoracoabdominal organs and urinogenital organs	75
2) If one has a clear functional disability of thoracoabdominal organs and urinogenital organs	50
3) If one has a slight functional disability of thoracoabdominal organs and urinogenital organs	20

### B. Criteria for Disabilities

1) "If one has a serious functional disability in thoracoabdominal organs and urinogenital organs" means

- ① In case of an organ transplant of heart, lung, kidney, or the liver and bowels
- ② In the event one should have permanent medical treatment such as hemodialysis because he/she cannot live without an organ transplant
- ③ If one completely loses the function of bladder

2) "If one has a clear disability in thoracoabdominal organs and urinogenital organs" means

- ① If one completely cuts off stomach, large intestine, and pancreas
- ② If one completely cuts off more than 3/4 small intestine or the liver and bowels
- ③ If one completely loses both testicles or both ovaries

3) "If one has a slight functional disorder in thoracoabdominal organs and urinogenital organs" means

- ① If a spleen, a kidney, or a lung in one side is cut off
- ② If stoma, urethrorrhea, vesicovaginal fistula, a ureter enteroanastomosis is left
- ③ If volume of bladder is reduced by below 50cc or artificial urethra is necessary due to stricture of the urethra
- ④ If sexual activity becomes impossible due to more than 1/2 damage of penis or vaginal outlet stenosis
- ⑤ If artificial anus is installed due to a functional disorder of the anal sphincter(excluding temporary occurrence during the treatment)

4) "In case of limitation of activities of daily living due to disorders in thoracoabdominal organs and urinogenital organs" means, disabilities shall be assessed and the higher insurance of the two shall be applied according to "<Appendix> Evaluation of Disability of ADLs Limitation".

5) Chronic disease(chronic epileptic or chronic obstructive pulmonary disease) requiring long-term nursing is not regarded as the target of evaluation of disability.

### 13. Disabilities of Neuropsychiatric Behaviors

#### A. Classification of Disabilities

Classification of Disabilities	Rate of Insurance
1) If there is a disability in nervous system so activities of daily living are limited	10 ~ 100
2) If serious disorder is left in mental behaviors so one should live under other's constant supervision or confinement	100
3) If a serious disability in mental behaviors requires partial supervision due to a possibility of self-injury or harm to others but not so much as confinement is necessary.	70
4) Due to a serious disability in mental behaviors, if basic social activities such as traveling by public transportation and shopping become impossible by himself	40
5) Extreme dementia : 5 point from CDR Scale	100
6) Serious dementia : 4 points from CDR Scale	80
7) Clear dementia : 3 points from CDR Scale	60
8) Slight dementia : 2 points from CDR Scale	40
9) If serious epileptic seizure is left	70
10) If clear epileptic seizure is left	40
11) If slight epileptic seizure is left	10

## B. Criteria for Mental Disability

### 1) Nervous system

① "If disability is left in nervous system" means that one or more activities out of five basic activities specified in "<Appendix>ADLs Limitation Evaluation Table of Disability" shall be limited due to damage in brain, spinal cord, and the peripheral nervous system.

② If the insurance for ① is below 10% according to "<Appendix>ADLs Limitation Evaluation Table of Disability", ① shall not be determined as the disability to be compensated.

③ Other body parts' disabilities(eye, ear, nose, arm, leg, etc) caused by disorder in nervous system are determined as the disability to be compensated and the highest insurance rate shall be applied.

④ Stroke, brain damage, and disorder in spinal cord and nervous system after being constantly treated for 6 months after the occurrence shall be determined if it is disability or not.

However, even after 6 months, if clear functional improvement is ongoing or death is expected in short term, evaluation of disability shall be delayed within 6months.

⑤ A doctor who diagnoses disabilities shall be a specialist of Rehabilitation Medical Treatment, a neurosurgeon, or a neurologist.

### 2) Mental behaviors

① With respect to disabilities that does not affect insurance for mental behavior disabilities, insurance shall be provided as described in "<Appendix>ADLs Limitation Evaluation Table of Disability".

② In general, injury shall be determined 24months after the injury. However, in the event that athymia lasts for more than one month after injury, it may be evaluated 10months after the occurrence of injury. However, disability should be evaluated after fully taking professional

treatment, but if not, the disability that becomes fixed or serious as an aftereffect shall not be accepted.

③ Psychological evaluation report shall be conducted and written by a clinical psychologist with qualifications.

④ A specialist means a neurologist.

⑤ Objective ground of evaluation

Ⓐ To prove functions and damages of the brain, MRI, CT, and brain wave tests are used.

Ⓑ The followings are not regarded as objective grounds.

- A protector's or a patient's statement

- Presumption or acknowledgment of emotion

- Low reliable tests(Brain SPECT) without Korean standardization

- Psychological evaluation report shall be conducted and written by a psychiatrist or a neurologist

⑥ Various organic mental disorders and post-traumatic epilepsy shall be compensated.

⑦ Various nervous diseases or personality disorders such as post-traumatic stress disorder, depressive(reactivity) illness, schizophrenia, delusional disorder, bipolar disorder(affective disorder), anxiety disorder, conversion disorder, phobia and obsessive compulsive disorder shall not be compensated.

⑧ Mental and behavioral disorders shall be accepted if activities or behaviors are impossible or constant confinement is required. With respect to care, life-support care and care for behavior monitoring is divided.

### 3) Dementia

① "Dementia" means

- Changes or brain damages by acquired organic disease in the brain

- Normally mature brain damaged by the abovementioned organic disease, if acquired intelligence is continuously or generally lessens.

② Evaluation of disability about dementia follows Korea version Expanded Clinical Dementia Rating Test Result by a medical specialist.

### 4) Epilepsy

① "Epilepsy" means repeated seizure(convulsion, disturbed consciousness) caused by cerebropathia showing sudden abnormality of brain wave.

② "A serious anepileptic seizure means that cares are required due to 8 times or more severe seizure for over 6 mouths as well as respiratory distress, aspiration pneumonia, serious exhaustion, nausea, headache, and recognitive deficit caused by seizure.

③ "Clear anepileptic seizure" means that five or more serious seizures occurs or 10 times or more minor seizures occurs for over 6 months.

④ "Slight anepileptic seizure" means that 1 or more serious seizures occurs once a month or 2 or more minor seizures occurs for over 6 months.

⑤ "Severe seizure" accompanying convulsion in the whole body means seizure making one overbalanced or making recognitive deficit for more than 3 minutes.

⑥ "Minor seizure" means that even if movement disorder occurs, one can keep balance and return to normal condition within 3minutes.

*Dynamic*  
*Dongbu*

<Appendix> ADLs Limitation Evaluation Table of Disability

Category	Insurance Rate by Degree of Limitation
Movement	<ul style="list-style-type: none"> <li>- Despite use of a special aid, if one cannot go out of a room without other's help (40% insurance rate)</li> <li>- If one cannot go out of a room or a wheelchair without other's help(30%)</li> <li>- If one cannot walk by himself without a walker(20%)</li> <li>- If one can walk alone but there are difficulties so cannot go up and down the stairs without holding a rail and walk more than 100m (10%)</li> </ul>
Food intake	<ul style="list-style-type: none"> <li>- Partial or whole diet through a tube or the jugular vein due to impossible intake of food (20%)</li> <li>- If one cannot eat food without other's continuous help as he cannot use a spoon(15%)</li> <li>- If one can use a spoon not chopsticks so other's help is required for food intake in part(10%)</li> <li>- If one's food intake is possible by himself but cannot remove fish bones and cut food using chopsticks(5%)</li> </ul>
Defecation & Urination	<ul style="list-style-type: none"> <li>- If one only can use medical devices or surgical equipments with other's help for defecation (20%)</li> <li>- If one needs other's help to sit on a toilet(including use of a piss pot) and wipe off his behind with paper and put on clothes after urine and feces(15%)</li> <li>- If one can urinate and defecate by himself but requires other's help after urine and feces(10%)</li> <li>- If continuous work(driving, working, education) of at least 2 hours is impossible due to frequent and irregular defecation(5%)</li> </ul>
Shower	<ul style="list-style-type: none"> <li>- If one cannot take a shower or bath without other's help(10%)</li> <li>- If one can take a shower but scrub off dead skin cell(5%)</li> <li>- If one can scrub off only parts of the body when bathing(3%)</li> </ul>
Dressing & Undressing	<ul style="list-style-type: none"> <li>- If one cannot put on clothes without other's help(10%)</li> <li>- If one only can put on either top or bottom(5%)</li> <li>- If one can put on clothes but complete such as buttoning up/unbuttoning, zip-up /zip-down, and tying/untying a string (3%)</li> </ul>