



Life Insurance

Insurance Terms No. LI31

The insurer is Líftryggingafélag Íslands, reg. no. 570990-1449, hereinafter "Lífis". Lífis is owned by VÍS tryggingar hf., reg. no. 670112-0470, hereinafter "VIS". Lífis has authorised VIS to handle all services to Lífis customers in connection with life insurance in accordance with these terms.

The insurance is governed by:

- The insurance policy, including endorsements and special terms.
- These insurance terms no. LI31.
- The VIS general terms and conditions no. YY10.
- Act No. 30/2004 on Insurance Contracts.

The provisions of the insurance policy and the renewal receipt take precedence over the provisions of the insurance terms. The provisions of the insurance policy, the renewal receipt and the insurance terms take precedence over the non-mandatory provisions of law.

Life Insurance ensures that those who rely on you will be taken care of. You decide the insurance amount and who will receive it in the event of your death.

The **terms** describe the rights and obligations of you and VIS.

The **policy** confirms that you have purchased insurance from VIS. The policy is accessible by logging on at vis.is

1. Who is insured?

- 1.1 The insured is the person named in the policy or the renewal receipt.
- 1.2 Also insured are the live-born children of the insured, as well as the insured's stepchildren and foster children who have the same domicile and live at the same place as the insured.

2. Who is the insurance paid out to?

- 2.1 In the event of the insured's death, the insurance amount is paid to the beneficiary.
- 2.2 In the event of the death of a child, stepchild or foster child of the insured, the insurance amount will be paid to the insured. Payment under this clause does not affect the insured's coverage.

3. Where is the insurance valid?

- 3.1 The insurance is valid worldwide.

4. When does the insurance commence and when does it expire?

- 4.1 The insurance commences when VIS has received and evaluated the requested health information and the insured has agreed to purchase the insurance on the terms that apply to it. VIS is not responsible for the consequences of incidents that had already occurred when information about the state of health was provided if these incidents would have become apparent during VIS's examination and resulted in the application being rejected.
- 4.2 The insurance is renewed annually, although not longer than until the insured reaches the age of 75. The maximum age for purchasing a new policy is 62 years.

5. What is covered under the insurance?

- 5.1 VIS pays compensation for the death of the insured.

6. What is not covered under the insurance?

- 6.1 If the insured person takes their own life within one year from the date the insurance became effective, no benefits are paid unless it can be proven that the insurance was taken out without suicide being contemplated.
- 6.2 Since VIS does not obtain information about the health status of the insured's children, no compensation will be paid for the death of the insured's child, stepchild or foster child which can be directly or indirectly attributed to a condition that existed before the insurance came into effect. In the case of adopted children, VIS is not liable for compensation if the death can be traced to a condition the child had before adoption.

Beneficiary is the person who has the right to receive the insurance payout.

Be careful about whom you designate as the beneficiary. If circumstances change, you may need to change the beneficiary, for instance in the case of a divorce or a breakup.

It is good to keep in mind that a cohabiting partner is not considered a spouse according to the law.



7. Insurance amount?

- 7.1 The insurance amount is stated in the policy or the renewal receipt.
- 7.2 From the time that the insured reaches the age of 54, the insurance amount will be lowered once a year in accordance with the VIS premium schedule as current at the time, i.e. at 12:00 a.m. on the first day of each insurance period.
- 7.3 If a child of the insured, which is born alive and is under the age of 18, dies during the insurance period, VIS will pay death compensation in the amount of ISK 2,000,000¹ for each child. The maximum compensation paid to the policyholder for each child can never exceed the limit, even if the policyholder has more than one life insurance policy in effect.
- 7.4 The amount of insurance will increase upon renewal in line with the change in the consumer price index. A decrease in the consumer price index will not lower the insurance amount.

Please note that the **insurance amount** decreases annually due to age after the age of 54. With each renewal, the amount decreases by a certain percentage, which varies according to age. Conversely, the insurance amount increases according to the index.

8. The right to an increase in the insurance amount

- 8.1 If the price for the insurance is not higher than the base price according to the VIS premium schedule, the insured can apply for an increase in the insurance amount without providing further information about his/her health status within 6 months of having a child or adopting a child younger than 18 years of age during the insurance period. This right expires when the insured reaches the age of 45. The maximum increase is 25% of the insurance amount, up to a maximum of ISK 5,000,000² for each child and this right can only be exercised for four children.
- 8.2 Upon an increase in the insurance amount, the price for the insurance will increase according to the VIS premium schedule with the increase taking effect on the next due date.

Learn about your right to an **increase** in the insurance amount if you have a child.

9. Change in risk

- 9.1 The policyholder, or as the case may be, the insured, must notify VIS immediately of any change that may affect the risk assessment and thus the price of the insurance, e.g. regarding the use of tobacco and nicotine or leisure activities that involve special risk. VIS must also be notified of any travel to a country where war is raging. Failure by the policyholder or the insured to notify VIS of a change in risk may result in VIS's liability being reduced in proportion to the price for the changed risk.

Please make sure to **let us know** if, for example, you decide take up hang gliding or smoking or travel to war-torn countries.

10. Price

- 10.1 The price of the insurance will change upon renewal in line with the change in the insurance amount according to the consumer price index.
- 10.2 VIS reserves the right to change the price of the insurance upon renewal to account for a general change in risk and other factors that affect the basis for compensation.

11. Continuation of insurance after non-payment of premium

- 11.1 If the insurance becomes invalid due to non-payment of the insurance premium after the premium has been paid for at least one year, the insurance can be revived without new health information if the outstanding premiums are paid within 3 months of the insurance becoming invalid.

12. Payment relief

- 12.1 If the insured person loses their working capacity or it is reduced by at least half, they gain the right to a payment waiver for the period that the loss of working capacity exceeds three months. Payment waivers are not granted for more than one year retroactively from the time the request was received by VIS.
- 12.2 Total loss of working capacity grants the right to a full payment waiver, and a reduction in working capacity by 50% or more entitles the insured to a proportional reduction in the insurance premium. However, the insured does not gain the right to a payment waiver if the loss of working capacity is due to the misuse of alcohol, addictive, or narcotic substances, or results from a suicide attempt within one year of taking out the insurance.
- 12.3 Applications for a payment waiver must be in writing. They must be accompanied by the necessary documents for VIS to assess the loss of working capacity at no cost. The assessment of the loss of working capacity should be based on the insured's ability to perform their previous job and their prospects for other jobs.
- 12.4 The insured is obligated to notify VIS as soon as they regain their working capacity, either partially or fully. VIS may always request information about the insured's health while they are benefiting from the payment waiver and may require medical examinations at its own expense.

Learn about your right to have the insurance premium **temporarily suspended** if you lose your working capacity.

¹ Based on the consumer price index in July 2021, which is 503.5 points.

² Based on the consumer price index in July 2021, which is 503.5 points.



13. Buyback

13.1 This insurance does not have a buyback price.

The information provided on the right margin is for the guidance of customers only and is not part of the terms themselves and is not intended to be used for interpreting specific clauses of the terms.

This is a translation of the authoritative Icelandic text. In the event of any discrepancies between the translation and the original Icelandic text, the original text shall prevail.