



Critical Illness Insurance

Insurance Terms No. LJ30

The insurer is Líftryggingafélag Íslands, reg. no. 570990-1449, hereinafter "Lífis". Lífis is owned by VÍS tryggingar, 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. LJ30.
- 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

Critical Illness Insurance provides financial protection and ensures that you will receive compensation if you are diagnosed with any of the illnesses covered by the insurance. No one expects to lose their health due to a serious illness, but the fact is that it can happen to all of us.

The terms describe the rights and obligations of you and VIS. The policy confirms that you have purchased insurance from VIS. **The policy** confirms that you have purchased insurance from VIS. The policy is accessible by signing in at vis.is.

When you purchase **Critical Illness Insurance** for yourself, you are both the policyholder and the insured. Your insurance also covers your children from the age of 3 months to the age of 18 years, see clause 3.

1. Who is insured?

- 1.1 The insured is the party named in the insurance policy or the renewal receipt.
- 1.2 The co-insured are the children of the insured, together with his stepchildren and foster children who have the same domicile and live in the same place as the insured.

2. Where is the insurance valid?

- 2.1 The insurance is valid worldwide.

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

- 3.1 The company's coverage begins when the company has accepted and approved the application for critical illness insurance, unless otherwise negotiated. The insurance is renewed annually, but no longer, however, than until the insured reaches the age of 70.
- 3.2 The company's coverage of the children, stepchildren and foster children of the insured begins when the child is aged 3 months and ends when the child reaches the age of 18.
- 3.3 Compensation is not paid unless a covered disease is diagnosed during the period that the insurance is in effect or if an insurance event that leads to blindness, burn wounds, limb loss or organ transfer takes place during the period in which the insurance is in effect. In the event that a disease is diagnosed after the insurance has expired, the company is not liable even though it may be argued that the disease was present while the insurance was in effect.
- 3.4 Once the insured has been paid compensation, the insurance policy will expire. This does not apply if compensation was paid for a child, stepchild or foster child. When compensation has been paid for a child, stepchild or foster child, the child in question no longer enjoys insurance coverage from the policy.

4. Scope of coverage

VIS pays compensation for:

4.1 Coronary thrombosis / myocardial infarction

Necrosis in part of the heart muscle due to insufficient blood flow to that part. All the following symptoms must be present:

- 4.1.1 Typical chest pain.
- 4.1.2 New characteristic changes to electrocardiogram.
- 4.1.3 Increase in specific enzymes for myocardial infarction, Troponin or other biochemical markers of myocardial infarction.

Exemptions:

- 4.1.4 Non-ST segment elevated myocardial infarction (NSTEMI) with increased Troponin I or T.
- 4.1.5 Other acute coronary syndromes.

4.2 Coronary surgery / by-pass surgery

- 4.2.1 Open chest surgery for the purpose of carrying out a coronary artery by-pass



to fix one or more coronary arteries that are narrowed or blocked. The necessity of the surgery must be shown with a coronary angiography.

Exemptions:

- 4.2.2 Primary Percutaneous Coronary Intervention (PCI) or angioplasty and/or any intravascular surgery.
- 4.2.3 Key-hole surgery.

4.3 Heart valve replacement

- 4.3.1 Surgery to insert prosthetic valves to replace one or more heart valves. This means that a prosthetic valve is inserted to replace an aortic, mitral, pulmonary or tricuspid valve due to valve stenosis or regurgitation or both.

Exemptions:

- 4.3.2 Valve repair.
- 4.3.3 Valvulotomy.
- 4.3.4 Valvuloplasty.

4.4 Aortic surgery

Surgery performed due to chronic aortic disease making it necessary to remove the diseased part of the aorta and replace it with a graft. Aorta refers to the actual aorta in the chest and abdomen and not its collateral branches.

4.5 Stroke

- 4.5.1 Each cerebrovascular event that causes neurological sequelae lasting for more than 24 hours and involves brain tissue necrosis, bleeding or thromboembolisms originating outside the brain. Confirmation of neurological impairment for at least three months must be available.

Exemptions:

- 4.5.2 Transient Ischemic Attack (TIA).
- 4.5.3 Neurological symptoms due to migraine.

4.6 Cancer

- 4.6.1 Malignant tumours characterised by uncontrollable growth and distribution of malignant cells and invasive growth in tissue. The diagnosis must be confirmed with a tissue analysis. Leukaemia and malignant lymphomas such as Hodgkin's disease are included in this definition.

Exemptions:

- 4.6.2 All CIN-stages (cervical intraepithelial neoplasia).
- 4.6.3 All pre-malignant neoplasms.
- 4.6.4 Cancers that do not grow invasively (i.e. cancer in situ).
- 4.6.5 Prostate cancer, stage 1 (T1a, 1b, 1c).
- 4.6.6 Skin cancer, including malignant melanoma stage 1A (T1a N0 M0).
- 4.6.7 Cancer when the human immunodeficiency virus (HIV) is present.

4.7 Benign brain tumours

- 4.7.1 The removal of benign brain tumours under general anaesthesia that leads to permanent impairment of brain function or, if inoperable, that leads moreover to permanent neurological deficit.

Exemptions:

- 4.7.2 All cysts.
- 4.7.3 Granulomas.
- 4.7.4 Malformations of the brain's arteries or veins.
- 4.7.5 Haematomas.
- 4.7.6 Pituitary or spinal cord tumours.

4.8 Multiple sclerosis

Unequivocal diagnosis of multiple sclerosis by an expert in neurological diseases working in a recognised hospital. The insured must have had symptoms of abnormal neurological function continuously for at least six months or at least two episodes, clinically confirmed (each with symptoms for at least 24 hours, with at least one month's interval and from different areas in the central nervous system). This must be confirmed with typical symptoms of demyelination, disruptions to mobility and sensory perception, as well as typical changes seen in MRI scans.

4.9 Motor neuron disease (MND)

Confirmation of definite diagnosis of motor neuron degeneration (i.e. amyotrophic lateral sclerosis (ALS), primary degeneration of motor neurons, progressive spinal muscular atrophy, bulbar paralysis) from an expert in neurological diseases and who is employed as such in a recognised hospital. The disease must have caused the



insured either to be completely bedridden and unable to get out of bed without assistance or to be persistently unable to independently perform three or more of the following activities of daily life: bathe, get dressed/undressed, go to and use the lavatory, get out of bed and onto a chair or from a chair into bed, control excretion and urination, eat/drink and take medication. Medical confirmation must be obtained that these conditions have persisted for at least 3 months.

4.10 Organ transplants

Organ transplants where the insured has received a heart, lungs, liver, pancreas, small intestine, kidney or bone marrow.

4.11 Renal impairment

End-stage renal disease characterised by chronic irreversible failure in the function of both kidneys, leading either to regular dialysis (haemodialysis or peritoneal dialysis) or a kidney transplant.

4.12 Alzheimer's

Clinically confirmed diagnosis of Alzheimer's disease (pre-senile dementia of Alzheimer's type) before the age of 60 resulting in the insured needing supervision and the continuous presence of carers due to the disease or resulting in the permanent inability to independently perform three or more of the following activities of daily life: bathe, get dressed/undressed, go to and use the lavatory, get out of bed and onto a chair or from a chair into bed, control excretion and urination, eat/drink and take medication. Medical confirmation must be obtained that these conditions have persisted for at least 3 months.

4.13 Parkinson's disease

Unequivocal diagnosis of Parkinson's disease of unknown origin (all other types of Parkinson's disease are exempted) before the age of 60 carried out by an expert in neurological diseases working in a recognised hospital. The disease must have caused the insured to need supervision and the continuous presence of carers or be persistently unable to independently perform three or more of the following activities of daily life: bathe, get dressed/undressed, go to and use the lavatory, get out of bed and onto a chair or from a chair into bed, control excretion and urination, eat/drink and take medication. Medical confirmation must be obtained that these conditions have persisted for at least 3 months.

4.14 Severe burns

Third-degree burns that cover at least 20% of the body surface of the insured, confirmed by an expert with extensive experience in the treatment of burns.

4.15 Loss of extremities

Permanent loss of two or more extremities above the wrist or ankle due to an accident or due to amputation for medical reasons.

4.16 Blindness

Complete, permanent and irreversible loss of sight in both eyes due to disease or accident, confirmed by an expert ophthalmologist.

4.17 Deafness

Complete, permanent and irreversible deafness in both ears due to disease or accident, confirmed by an expert otorhinolaryngologist. Loss of hearing must be more than 85 decibels in all frequencies in the ear which hears better.

4.18 HIV/AIDS

4.18.1 Infection with HIV, or confirmed diagnosis of AIDS, which can be traced to blood transfusion and fulfils the following conditions:

- a) The infection is due to a transfusion that was medically necessary and was performed prior to the entry into effect of the insurance policy.
- b) The medical facility that performed the transfusion admits its responsibility.
- c) The insured is not a haemophiliac.

4.18.2 Became infected with HIV/AIDS due to an assault or in the line of duty when working in health care services, fire brigade or police force and occurring during the effective term of the insurance policy.

- a) The company must be notified of all incidents that could possibly lead to a claim for compensation due to HIV infection pursuant to Article 4.18.2 within 7 days from the event. The notification must be accompanied by a report of the incident and confirmation of a negative result from an HIV-antibody test performed immediately after the mishap.
- b) Another antibody test, confirming that HIV antibodies were detected



within 6 months.

4.19 Meningitis caused by bacterial infection

Bacterial infection in membranes covering the brain or spinal cord, diagnosed by a medical expert and confirmed with special investigations (e.g. haematological and spinal fluid examinations, CT scans or brain MRI). The disease must have caused the insured to be permanently unable to independently perform three or more of the following activities of daily life: bathe, get dressed/undressed, go to and use the lavatory, get out of bed and onto a chair or from a chair into bed, control excretion and urination, eat/drink and take medication. Medical confirmation must be obtained that these conditions have persisted for at least 3 months.

VÍS does not pay compensation for:

- 4.20 Illness, surgery or other insurance event that can be directly or indirectly traced to the condition of the insured's child or that of his stepchildren or foster children prior to the entry into effect of the insurance and which the insured knew about or should have known about. In the same manner, no compensation is paid due to the illness, surgery or other insurance event that may verifiably be traced to the condition of a child prior to the date on which the insurance enters into effect, i.e. at the age of three months as provided for in Item c of the first paragraph of Article 86 of Act No. 30/2004 on Insurance Contracts, as the company does not collect information on the health of the child.
- 4.21 Cancer, multiple sclerosis, loss of hearing and meningitis, diagnosed during the first three months after the entry into effect of the insurance.
- 4.22 Illness, surgery or other insurance event if the insured does not survive for at least 30 days from the time he was diagnosed with an illness, surgery was performed or another insurance event occurred. The same applies to insured children, stepchildren and foster children.
- 4.23 Illness, surgery or other insurance event which directly or indirectly is caused by nuclear changes, ionising radiation, radioactive pollution, nuclear fuel and nuclear waste or caused by war, invasion, riots, strikes or similar actions.
- 4.24 Illness, surgery or other insurance event directly or indirectly caused by earthquakes, volcanic eruptions, landslides, avalanches or other natural disasters.
- 4.25 An illness unless the diagnosis has been approved by an Icelandic expert in the speciality in question.

5. Insurance amount

- 5.1 The amount of insurance coverage is indicated in the insurance policy or in the renewal receipt.
- 5.2 The amount of insurance coverage for children is 50% of the insurance amount specified in the insurance policy or the renewal certificate. The maximum compensation for each child is ISK 10,456,000, based on a consumer price index of 364.1 points, irrespective of whether more than one insurance policy from which the child may be entitled to compensation is in effect with the company.
- 5.3 Payment of compensation from the insurance policy for children, stepchildren and foster children has no effect on the insurance coverage of others insured under the policy.
- 5.4 The amount of insurance coverage increases in accordance with changes in the consumer price index.
- 5.5 In the event that consumer price index decreases, this will not have the effect of decreasing the insurance amount.

6. The right to raise the insurance coverage amount without a state-of-health declaration

- 6.1 If the premium for the insurance is determined without a premium surcharge, the insured can apply, in writing, for an increase in the insurance amount without supplying further information on his state of health within three months from the date that either of the following events occur:
 - a) The insured has a child during the effective term of the insurance.
 - b) The insured adopts a child under the age of 18 during the effective term of the insurance.
- 6.2 The maximum increase of the insurance amount is 25% of the amount. This amount, however, is limited to a maximum of ISK 3,945,000, based on a consumer price index of 364.1 points, for each child. This right can only be exercised for four children.
- 6.3 This right is cancelled when the insured reaches the age of 45.
- 6.4 On the increase of the insurance coverage amount, the premium paid by the insured shall increase in accordance with the company's premium rates. The increase in premiums applies on the next due date after all conditions have been met.
- 6.5 This right cannot be exercised after compensation has been claimed or the insured has been diagnosed with any of the diseases or undergone any of the surgeries defined in Article 4.



7. Duty to inform when entering into an insurance contract

- 7.1 The policy holder or the insured, as the case may be, must provide the company with the information that it requests when entering into the insurance contract. Additionally, they should initiate the provision of information to the company about certain circumstances they know or should know as being of significant importance for the company's risk assessment.
- 7.2 If it becomes clear to the policyholder or the insured that he has provided incorrect or unsatisfactory information about the risk, he shall inform VIS accordingly without undue delay.
- 7.3 If the policy holder or the insured has neglected his duty to provide information to an extent that is not deemed insignificant, the company's liability may become void in full or in part.

8. Change of risk level

The company must be immediately informed of any changes that can have an impact on the company's risk, such as about smoking or particular risks connected to recreational activities. If the policy holder or the insured do not notify the company of the change in risk, this may result in the loss of entitlement to compensation, as provided for in Act No. 30/2004 on Insurance Contracts.

9. Calculation of premiums

- 9.1 The insurance premium is dependent on age, gender and whether the insured smokes, and changes annually on renewal. In the event that premiums are paid on more than one due date per year, later payments will increase in the same proportion as the insurance amount. If the insurance amount increases by more than 35% within each year due to increases in the consumer price index, the company reserves the right to collect an additional premium for increases beyond that level.
- 9.2 The company reserves the right to determine a renewal premium with regard to general modifications of the risks involved, changes to the purchasing power of the Icelandic króna (ISK) and other causes which disrupt the compensation base.

10. Premium payment

- 10.1 The first insurance premium is due and payable upon demand. The renewal premium becomes due on the renewal date of the insurance.
- 10.2 Default on the payment of the premium may cause the loss of rights and the termination of an insurance contract, as provided for in Article 96 of the Act on Insurance Contracts No. 30/2004.

11. Premium refund

In the event that an insurance contract is cancelled before the period of insurance has expired, VIS will return the premium in proportion to the period paid by the insured relative to the period when the insurance contract has not been in effect. This does not apply if an insurance contract is invalid because the company has completed its duties by paying the agreed sum insured.

12. Premium discount due to loss of work capacity

- 12.1 In the event that the insured has lost his capacity to work or if such capacity has been reduced by at least half, the insured gains the right to a premium discount for the time that the loss of capacity persists in excess of six months, but no longer, however, than to the age of 65 and not due to insurance events that are compensable according to Article 4 of these terms. Premium discounts are not granted for longer than one year retroactively from the date that a request for premium discount was received by the company.
- 12.2 Complete loss of capacity provides the right to full premium discount and a 50% or more loss of capacity the right to a proportionate premium discount. The insured, however, is not entitled to a premium discount if the loss of capacity is due to the abuse of alcohol, addictive or narcotic substances.
- 12.3 Requests for premium discounts must be in writing. The request must be accompanied by the necessary documentation to assess the loss of work capacity, at no cost to the company. The insured's ability to undertake his former work, and the possibility of undertaking other work, must be used as the basis for the evaluation of the loss of capacity to work.
- 12.4 The insured is under obligation to immediately notify the company if he regains his capacity to work in part or in full. During the period that the insured enjoys the premium discount, the company may at any time require information on the insured's health and may also require a medical examination at its own cost.
- 12.5 The company informs the insured of its decision on the premium discount in writing.



13. Netting

VÍS may set off a defaulted premium payment against the insurance benefits it must pay, as provided for in Article 122 of Act No. 30/2004 on Insurance Contracts.

14. Cancellation during period of insurance

14.1 The company may cancel the insurance:

- a) With 14 days' notice if incorrect or unsatisfactory information is provided on the insured risk, as provided for in Article 84 of Act No. 30/2004 on Insurance Contracts.
- b) Immediately if the policyholder has fraudulently neglected his duty to provide information about the insured risk, as provided for in Article 84 of Act No. 30/2004 on Insurance Contracts.

14.2 The insured can cancel the insurance contract at any time with a written cancellation.

15. Notification of insurance event

15.1 The insured must notify the company of any insurance event without undue delay.

15.2 The insured loses the right to compensation if he does not notify the company of his claim within one year from the date he knew about the circumstances upon which it is based.

16. Intent

16.1 If an insurance event may be attributed to intent on behalf of the insured, he has no claim against VÍS for compensation unless he was unable to realise the consequences of his conduct due to his age or mental condition.

16.2 Compensation is not paid if the insurance event is the consequence of attempted suicide within one year from the date that the insurance came into effect, unless it is proven that the insurance was purchased with no intent of suicide.

17. Fraudulent conduct

Anyone acting fraudulently towards VÍS loses all his rights under the insurance contract. In the event of several insurance contracts, he may also lose his right to compensation under them in respect of the same insurance event, as provided for in Articles 83 and 120 of Act No. 30/2004 on Insurance Contracts.

18. Claim for compensation

The insured may demand payment of compensation 14 days after the company had the opportunity to obtain the necessary documentation in order to determine its liability, as provided for in Article 121 of Act No. 30/2004 on Insurance Contracts.

19. Interest on compensation amount

Entitlement to interest on the compensation amount is in accordance with Article 123 of Act No. 30/2004 on Insurance Contracts.

20. Duty to inform when settling indemnity payments

20.1 When settling indemnity payments, the insured shall provide VÍS with information and deliver documentation to which he has access and which the company needs for assessing its liability and determining compensation.

20.2 If the insured intentionally provides incorrect or unsatisfactory information that he knows or should know will lead to him being paid compensation to which he is not entitled, all of his rights according to this and other insurance contracts because of the particular insurance event will become void. Under specific circumstances, however, the insured may have a right to partial compensation, as provided for in Article 120 of Act No. 30/2004 on Insurance Contracts. Moreover, such conduct may lead to the termination of the insurance contract, cf. Article 14.1.

21. Time limitations on liability

The right to claim the insurance amount expires after ten (10) years. The ten-year period begins at the end of the calendar year in which the claimant received the necessary information about the events on which his claim is based. However, the right to claim compensation expires no later than 20 years after the end of the calendar year in which an insured event took place.

22. Time limit to seek remedial action

If the company rejects, in full or in part, a claim by the insured, he loses his right to



compensation if he has not begun litigation procedures or demanded that the case be referred to procedure before the Insurance Complaints Committee within one year after receiving written notification about the rejection of his claim, as provided for in Article 124 of Act No. 30/2004 on Insurance Contracts.

23. Pledges

The insured may pledge this insurance, as provided for in Article 107 of Act No. 30/2004 on Insurance Contracts.

24. Notice of change of address

The policy holder shall notify the company immediately if he changes his address.

25. Currency

All amounts pertaining to this insurance contract are in Icelandic currency (ISK) unless otherwise stated by law or negotiated separately.

26. Dispute handling

26.1 Disputes with the company may be presented to the Insurance Ruling Committee according to Act No. 30/2004 on Insurance Contracts.

26.2 The rulings by the Insurance Complaints Committee may be brought before courts of law.

27. Venue

The domicile and venue of VIS are in Reykjavík. Any disputes arising from this insurance policy shall be brought before the District Court of Reykjavík.

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.