Life Insurance

Standard insurance information sheet

TERMS AND CONDITIONS L-9

Vörður
hluti af Arion

This information document only specifies the main aspects of the insurance, such as what is included and what is not. It is not an exhaustive list or a personal overview of the insurance that customers choose. The information document has no legal significance and is intended solely to inform customers about the main aspects of the insurance. The insurance summary and detailed information on the applicable contract terms are available on the insurance policy, which can be accessed on Vörður's My Pages. The terms and conditions of the insurance contain comprehensive information about the insurance coverage and are a part of the agreement between the parties together with the insurance certificate.

What Kind of Insurance is Life Insurance?

The loss of a loved one is a profound shock, and no life insurance can ever truly compensate for the emotional damage experienced by the family. However, it can help reduce the financial impact that may follow such a loss. Life insurance is intended to provide support to families in the event of a death, helping to maintain their quality of life and financial security after the passing of a loved one. If a valid claim exists, compensation is paid as a lump sum to the designated beneficiary. These payments are tax-free and are made outside the formal probate process. Customers choose a beneficiary at the outset of the policy, and this can be a spouse, a specific individual, or legal heirs. If no beneficiary is designated, payment is made in accordance with the Icelandic Insurance Contracts Act No. 30/2004, with the general rule being that the benefit is paid to the surviving spouse.

What is insured?

Death benefits

- ✓ Death benefit to the beneficiary chosen by the customer at the beginning.
- ✓ Child death benefits if a live-born child of the insured dies during the policy period. A maximum of ISK 750,000 is paid to the insured.
- ✓ Terminal illness if the illness is diagnosed before the age of 65 and doctors have confirmed a life expectancy of 6 months or less.

Child Death Benefits

- ✓ Child death benefits if a live-born child of the insured dies during the policy period. A maximum of ISK 750,000 is paid to the insured.
- ✓ Compensation Due to Terminal Illness
- ✓ Terminal illness if the illness is diagnosed before the age of 65 an doctors have confirmed a life expectancy of less than 6 months.

What is not insured?

Death benefits

- ✗ Suicide within a year from the effective date of the policy.

Are there any restrictions on cover?

- ❗ If the insured person commits suicide within one year from the start date of the insurance, the company is released from liability.
- ❗ If it becomes evident that false or inaccurate information was provided at the time the insurance was taken out, this may affect the right to claim compensation.
- ❗ The insurance terminates upon the death of the insured.
- ❗ The insured is required to comply with Vördur's precautionary rules.
- ❗ The insured must familiarize themselves with the insurance terms and conditions.
- ❗ Any illness of the insured and a claim by the beneficiary must be reported within one year of diagnosis.

Where am I covered?

The insurance is valid worldwide. More detailed information on the scope of coverage can be found in the terms and conditions.

What are the insured's obligations?

- Answer all questions from Vörður related to risk assessment truthfully and honestly.
- Provide all necessary information, whether for renewal, changes to the insurance, or in the event of a claim.
- Notify the company of a claim at the earliest opportunity and no later than within one year of the incident.

When and how do I pay?

The insurance premium must be paid on the due date. Upon renewal, the annual premium is adjusted in accordance with changes in the index from the base index of the agreement. Vördur sends payment claims monthly to online banking services, or annually if the policyholder prefers to pay the premium in a single installment.

It is possible to change the payment method via Vördur's online service, “My Pages.” There, policyholders can also choose to pay premiums using a credit card.

When does the cover start and end?

Insurance contracts are generally valid for 12 months from the date of acceptance of the offer and issuance of the insurance, and premiums are based on the annual premium. If the insurance is not terminated within that period, it is automatically extended.

How do I cancel the contract?

The insurance can be terminated at any time during the insurance period. Premiums must be paid for the period during which the company has provided coverage.