

Disability Insurance

Standard insurance information sheet



Terms and Conditions L-21

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 Disability Insurance?

Disability Insurance is linked to supplementary pension savings and is available to members of Arion Bank's supplementary pension scheme. It ensures that income goals at the end of one's career can still be met despite potential loss of income due to unexpected disability caused by accident or illness. This means the pension savings are protected from the start, even if the individual's working life is cut short and they are unable to build up the targeted savings. The premiums are deducted directly from the savings, and therefore do not affect the household budget. Likewise, any benefits are paid directly into the individual pension account.



What is covered?

Permanent Medical Disability

- ✓ Permanent medical disability caused by an illness, if the disability is estimated to be 50% or more.
- ✓ Permanent medical disability caused by an accident, if the disability is estimated to be 25% or more.



What is not covered?

Permanent Medical Disability

- ✗ Consequences of an illness or injury that has occurred (i.e. symptoms or diagnosis) before the effective date of the insurance and the insured knows or could have known about at the time of signing the insurance contract or after the insurance lapsed.
- ✗ Consequences of an accident that can be attributed to an event that the insured knows or could have known about and that occurred before the signing of the insurance contract or after the insurance lapsed.
- ✗ Accidents, which the insured sustains in a fist fight, when participating in a criminal act, under the influence of sedatives and/or narcotics or when inebriated, unless it is proven that there was no connection between such condition and the accident.
- ✗ Accidents occurring during mountaineering, rock climbing, boxing, wrestling and martial arts, motor sports, skydiving and scuba diving.
- ✗ Accidents or illnesses caused by the conscious conduct, intent or gross negligence of the insured.
- ✗ Illnesses or accidents caused by the consumption of alcohol, narcotics, anesthetics and recreational drugs.



Are there any restrictions or precautionary rules?

- ! The insured is required to follow Vörður's precautionary rules.
- ! The insured must familiarize themselves with the terms and conditions of the insurance.
- ! The insurance terminates upon payment of compensation.
- ! The insurance terminates if the group insurance agreement between Vörður and Arion Bank expires.
- ! The insurance terminates if the total contributions of the insured to the private pension fund over the past 24 months are less than the next annual premium of the insurance.



Where is the insurance Valid?

The insurance is valid worldwide. More detailed information about the scope of coverage can be found in the insurance 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 is the insurance paid for?

Premiums are deducted directly from the supplementary pension savings and therefore do not affect household expenses.



When does insurance coverage begin and how does it 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 is the insurance terminated?

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.