

The insurance is based on State Social Security Act No. 112/2008 and is intended to cover medical cost due to injury or sickness, which incurs after arriving in Iceland until the insured enters the social security scheme coverage.

Section 1. Scope of cover, page, 1.

Section 2. General provisions, page 2.

This insurance applies to the persons who are named as insured in the certificate.

SECTION 1 SCOPE OF COVER

Article 1 Where does the insurance apply?

The insurance applies in Iceland.

Article 2 The scope of the insurance

The insurance covers only medical expenses which occur in Iceland and are specified in items a) to g) below in accordance with appropriate provisions of the State Social Security Act No. 112/2008. Compensation from the Insurance Policy is based on the medical expenses which Icelandic Health Insurance would otherwise have paid the Insured. The insurance protection is not in any case more extensive than the Act provides for, but it is subject to limitations which are specified in the certificate or in the Insurance Terms. Expense invoices which exceed the comparison tariff of the State Social Security Institute are not paid out of the insurance. The following medical expenses, according to the Social Security Act No. 112/2008, are covered by the Insurance Policy:

- a. cost of hospital stay on doctor's advice, not, however, in sanatoriums except due to consequences of a disease or an accident which originates within and occurs within the insurance period, or in maternity institutions
- b. cost of general medical assistance outside the hospital
- c. cost of necessary tests and treatment by a specialist
- d. cost of medication which is essential for the Insured to use regularly, in addition to other necessary medication costs
- e. cost of x-ray examination and radiation therapy
- f. unavoidable travel cost of doctor to the Insured and the cost of transporting the Insured to hospital
- g. cost of nursing at home due to serious diseases or accidents which are within the benefit range of the insurance, provided that the Insured stays in bed at home and not in a hospital.

Article 3 Limitations to liability

The company does not pay cost:

- a) to which Insured is entitled to according to public health insurance in Iceland and abroad
- b) due to an accident which occurred before the insurance came into effect
- c) due to a disease whose symptoms had broken out before this insurance came into effect
- d) due medical examinations now available, regarding infections that occurred, or suspicion of illness that occurred, before this insurance came into effect, as well as any diseases that such examinations may bring to light
- e) due to dentistry or plastic surgery, except regarding necessary emergency operations due to a liable accident or a disease
- f) due to pregnancy, delivery or diseases which may be related to pregnancy or miscarriage
- g) due to a disease or an accident which may be related to the consumption of alcohol or addiction to narcotic drugs
- h) due to fights or participation in a punishable act
- i) due to accidents occurring when competing in all kinds of sports activities or during training in preparation for a competition in all kinds of sports activities; excluded are also accidents occurring during participation in any form of driving sports, martial arts, hang-gliding, mountaineering, rappelling, parachuting, glider-flying, aerobatics, private-flying or other similar hobby or competition, involving special risk
- j) due to an accident or a disease which is directly or indirectly caused by war, fights, riots, strikes and others similar incidents; the same applies to consequences of nuclear energy hazards, ionic radiation, radioactive materials, earthquake or volcanic eruption as well as other natural disasters

- k) due to accidents caused by terrorist activities having physical or chemical impact and/or poisoning, including bacteria and viruses

Some of the items that are excluded here could, however, be included in the insurance on payment of a special additional premium.

Article 4 Payment of insurance benefits

The Company will pay insurance benefits upon receiving the necessary information that makes it possible for the Company to verify its liability and the correct amount that is to be paid. The payment is based on the applicable insurance amount at the time of the insurance event, unless otherwise stipulated in the general or Special Terms that apply to the Insurance Policy. Insurance amount interest is subject to Article 50 of Act No. 30/2004.

Article 5 Insurance amount and deductible (own risk)

The insurance amount and the Insured's deductible (own risk) are stated in the Insurance Policy or the premium payment receipt. The Insured bears own risk amounting to ISK 50,000 due to aggregated cost of the benefit factors which fall within the coverage of the insurance. The amount of own risk is the amount that the Insured must bear during the insurance period in excess of the legal participation of a patient in sickness costs, as may be decided upon each time, according to law or regulations.

SECTION 2 GENERAL PROVISIONS

Article 6 Contract basis – entry into force of the Insurance Policy

The insurance relationship is based on these present Insurance Terms, on information provided in the insurance application and on other data related to the contract. This Insurance Policy is a short-term policy and applies for six months or the period in which the Insured is not covered by the sickness insurance of the social security scheme, cf. Act No. 112/2008. In order to be able to issue an Insurance Policy, it is essential that the company has received a completed and signed application the insured has established his/her identity by providing a photocopy of his/her valid passport.

Article 7 The insurance period

This Insurance Policy enters into effect when the Company has approved the insurance application but only after the arrival of the Insured to Iceland. The date the policy enters into force is negotiable in writing. The effective term of the Insurance Policy is registered in the certificate. The responsibility of the Company terminates when the Insured has been made eligible for the sickness insurance of the social security scheme or if the Insured departs from Iceland and at the very latest at midnight of the recorded final day of the certificate. The insurance is not renewable.

Article 8 Breach of duty to inform – fraud and false information

Information concerning the risk

If the Policyholder or the Insured has fraudulently neglected his or her duty to report to Sjóvá circumstances that may be important for the Company to assess its risk, the Company shall not be liable for any subsequent insurance event under this policy — see paragraph 1 of Article 83 of Act No. 30/2004. In the event that the Policyholder or the Insured has otherwise neglected his or her duty to report information to such a degree that it may not be considered insignificant, the Company's liability shall be cancelled in whole or in part — see paragraph 2 of Article 83 of Act No. 30/2004.

Information provided for the settlement of insurance benefits

Anyone who intentionally provides false or insufficient information when settling an insurance claim shall forfeit any right against the Company pursuant to this present and other existing insurance contracts relevant to the insurance event in question — see paragraph 2 of Article 47. of Act No. 30/2004. In such an event, the Company may terminate all its Insurance Contracts with the person in question with one week's notice.

Article 9 Premium

The premium becomes due when the insurance is issued, provided that another due date has not been agreed on. Payment of the premium is a pre-condition for initiating the Company's liability. If the policy is cancelled during the insurance period, the company will refund the premium in proportion to the time remaining. However the insured must always pay a minimum premium of ISK 5000.

Article 10 Informing of loss

The insurance company needs to be informed of loss or damage as soon as possible.

The Insured forfeits his/her claim for compensation if:

- a) He/she does not notify the Company of the claim within a period of one year from the time he/she knew of the circumstances that led to the claim;
- b) He/she has not initiated court proceedings or requested procedure before the Insurance Complaints Committee within a period of one year from the time he/she received written notification that his or her claim was rejected — see Article 51 of Act No. 30/2004.

Article 11 Expiration of rights

Compensation claims under this Insurance Policy will expire in accordance with the provisions of Article 52 of Act No. 30/2004.

Article 12 When an insurance event is caused by the Insured

Intent

In the event that the Insured has intentionally caused an insurance event, the Company shall not be liable — see paragraph 1 of Article 27 of Act No. 30/2004.

Gross Negligence

If the Insured causes the occurrence of an insurance event by gross negligence or if the consequences of the event are more serious than they would have otherwise been, the Company's liability may be reduced or cancelled — see paragraph 2 of Article 27 of Act No. 30/2004.

Article 13 Provisions in the insurance policy

The provisions of the insurance certificate or of a policy renewal receipt take precedence over the provisions of the insurance terms. The provisions of the insurance policy, of the renewal receipt and of the insurance contract terms take precedence over derogable legal provisions.

Article 14 Dispute resolution

If a dispute arises concerning this Insurance Policy, it shall be resolved by an Icelandic court of law in accordance with Icelandic law, unless otherwise stipulated by international agreement binding to Iceland.

The Insurance Complaints Committee shall rule on any dispute concerning liability, fault and culpability as well as issues that relate to Act No. 30/2004 on Insurance Contracts. The Insurance Complaints Committee is housed at the Financial Supervisory Authority. Application forms for a request for referral to the Insurance Complaints Committee can be accessed on the websites www.fme.is and www.sjova.is, as can further details regarding the scope of activities and procedures of both committees. A procedure before the Insurance Complaints Committee will not limit the right of the referring parties to also refer the case to a court of law.

Article 15 Venue

Sjóvá's headquarters are in Reykjavík. Any lawsuit that might arise against the Company because of this Insurance Policy should be brought before the Reykjavík District Court.

This document is an English translation of the original Icelandic insurance terms. In case of any discrepancy between this translation and the Icelandic terms, the Icelandic terms shall apply. These conditions enter into effect as of 1. February 2018.