CRITICAL ILLNESS INSURANCE

Translation of Terms and Conditions No. S9

SJÓVÁ

Critical Illness Insurance pays out lump sum in case of covered conditions. These policy terms apply as well as Sjova's General Policy Terms No. 001.

Section 1: Critical Illness Disease 1.
Section 2 Children Cover.
Section 3: Waiver of Premium

The insured is the person mentioned in the policy.

1. SECTION CRITICAL ILLNESS DISEASE

Art. 1 Geographical scope of cover

This insurance is valid anywhere in the world unless otherwise is stated in the policy terms.

Art. 2 What does the insurance cover?

The insurance pays out compensation in accordance to the insurance amount in case of insurance event during its validity period, which can be until the insured reaches 65 year of age. Insurance event is considered to be a disease, operation or an occurance covered by the insurance as defined in the policy terms and devided into four category as follows:

- Cancer
- Cardiovascular and kidney diseases
- Neurological and degenerative diseases
- Other insurance events

The insurance does not pay compensation in case of other events than stated in art. 2 – 6 in the policy terms.

It is a precondition for liability that a specialist in Iceland, in the specialty field in question, has confirmed the diagnosis as well as other conditions set, such as the necessity of actions, time limits, etc. The conclusions of the specialist must be supported by radiology imaging or other examinations where the appropriate diagnostic equipment or methods were used.

Art. 3 Cancer

a. Cancer

Any malignant tumor positively diagnosed with histological confirmation and characterized by the uncontrolled growth of malignant cells and invasion of tissue. Unless not specifically excluded, leukaemia, malignant lymphoma and myelodysplastic syndrome are covered under this definition.

For the above definition, the following are not covered:

- Any tumour histologically classified as pre-malignant, non-invasive or carcinoma in situ (including ductal and lobular carcinoma in situ of the breast and cervical dysplasia CIN-1, CIN-2 and CIN-3)
- Any prostate cancer unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0.
- Chronic lymphocytic leukaemia unless having progressed to at least Binet Stage B
- Basal cell carcinoma and squamous cell carcinoma of the skin and malignant melanoma stage IA (T1aN0M0) unless there is evidence for metastases
- Papillary thyroid cancer less than 1 cm in diameter and histologically described as T1N0M0
- Papillary micro-carcinoma of the bladder histologically described as Ta
- Polycythemia rubra vera and essential thrombocythemia
- Monoclonal gammopathy of undetermined significance
- Gastric MALT Lymphoma if the condition can be treated with Helicobacter- eradication
- Gastrointestinal stromal tumour (GIST) stage I and II according to the AJCC Cancer Staging Manual, Seventh Edition (2010)
- Cutaneous lymphoma unless the condition requires treatment with chemotherapy or radiation
- Microinvasive carcinoma of the breast (histologically classified as T1mic) unless the condition requires mastectomy, chemotherapy or radiation
- Microinvasive carcinoma of the cervix uteri (histologically classified as stage IA1) unless the condition requires hysterectomy, chemotherapy or radiation.

b. Bone-marrow transplant

An operation where the insured receives transplant of bone marrow. The condition leading to transplantation must be deemed untreatable by any other means, as confirmed by a Specialist.

Art. 4 Cardiovascular and Kidney Diseases

a. Myocardial Infarction

A myocardial infarction is death of heart tissue due to prolonged obstruction of blood flow. Under this definition, myocardial infarction is evidenced by a rise and/or fall of cardiac biomarkers (troponin or CKMB) to levels considered diagnostic of myocardial infarction together with at least two of the following criteria:

- Symptoms of ischaemia (like chest pain)
- Electrocardiogram (ECG) changes indicative of new ischaemia (new ST-T changes or new left bundle brunch block)
- Development of pathological Q waves in the ECG
- For the above definition, the following are not covered:
- Acute coronary syndrome (stable or unstable angina)
- Elevations of troponin in the absence of overt ischemic heart diseases (e.g. myocarditis, apical ballooning, cardiac contusion, pulmonary embolism, drug toxicity)
- Myocardial infarction with normal coronary arteries or caused by coronary vasospasm, myocardial bridging or drug abuse
- Myocardial infarction that occurs within 14 days after coronary angioplasty or bypass surgery

b. Coronary Artery Bypass

The undergoing of heart surgery to correct narrowing or blockage of two or more coronary arteries with bypass grafts. Heart surgery with full sternotomy (vertical division of the breastbone) and minimally invasive procedures (partial sternotomy or thoracotomy) are covered.
For the above definition, the following are not covered:

- Coronary angioplasty or stent-placement

c. Heart Valve Surgery

The undergoing of surgery to replace or repair one or more defective heart valves. The following procedures are covered under this definition:

- Heart valve replacement or repair with full sternotomy (vertical division of the breastbone), partial sternotomy or thoracotomy
- Ross-Procedure
- Catheter-based valvuloplasty
- Transcatheter aortic valve implantation (TAVI)

For the above definition, the following are not covered:

- Transcatheter mitral valve clipping

d. Surgery of the Aorta

The undergoing of surgery to treat narrowing, obstruction, aneurysm or dissection of the aorta. Minimally invasive procedures like endovascular repair are covered under this definition.
For the above definition, the following are not covered:

- Surgery to any branches of the thoracic or abdominal aorta (including aortofemoral or aortoiliac bypass grafts)
- Surgery of the aorta related to hereditary connective tissue disorders (e.g. Marfan syndrome, Ehlers–Danlos syndrome)
- Surgery following traumatic injury to the aorta

e. Stroke

Death of brain tissue due to an acute cerebrovascular event caused by intracranial thrombosis or haemorrhage (including subarachnoid haemorrhage), or embolism from an extracranial source with acute onset of new neurological symptoms, and new objective neurological deficits on clinical examination.
The neurological deficit must persist for more than 3 months following the date of diagnosis.

For the above definition, the following are not covered:
- Transient Ischaemic Attack (TIA) and Prolonged Reversible Ischaemic Neurological Deficit (PRIND);
- Traumatic injury to brain tissue or blood vessels
- Neurological deficits due to general hypoxia, infection, inflammatory disease, migraine, or medical intervention
- Incidental imaging findings (CT- or MRI-scan) without clearly related clinical symptoms (silent stroke)

f. End Stage Renal Disease

Chronic and irreversible failure of both kidneys, as a result of which either regular haemodialysis or peritoneal dialysis is instituted or renal transplantation is carried out. The dialysis must be medically necessary and confirmed by a Consultant Nephrologist.

For the above definition, the following are not covered:
- Acute reversible kidney failure with temporary renal dialysis

g. Heart and Kidney Transplantation

The undergoing as a recipient of an allograft or isograft transplant of one or more of heart or kidney. The condition leading to transplantation must be deemed untreatable by any other means, as confirmed by a Specialist.

Art. 5 Neurological diseases

a. Major Head Trauma

A definite diagnosis of a disturbance of the brain function as a result of traumatic head injury. The head trauma must result in a total inability to perform, by oneself, at least 3 out of 6 Activities of Daily Living for a continuous period of at least 3 months with no reasonable chance of recovery. Activities of Daily Living are:
- Washing – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- Getting dressed and undressed – the ability to put on, take off, secure, and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- Feeding oneself – the ability to feed oneself when food has been prepared and made available.
- Maintaining personal hygiene – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- Getting between rooms – the ability to get from room to room on a level floor.
- Getting in and out of bed – the ability to get out of bed into an upright chair or wheelchair and back again.
- The diagnosis must be confirmed by a Consultant Neurologist or Neurosurgeon and supported by typical imaging findings (CT scan or brain MRI).

For the above definition, the following are not covered:
- Any major head trauma due to self-inflicted injury, alcohol, or drug use.

b. Benign Brain Tumour

A definite diagnosis of a benign (non-malignant) brain tumour, located in the cranial vault and originating from tissue of the brain, meninges or cranial nerves. The tumour must be treated with **at least one** of the following:
- Complete or incomplete surgical removal
- Stereotactic radiosurgery
- External beam radiation

If none of the treatment options is possible due to medical reasons, the tumour must cause a persistent neurological deficit, which must be documented for at least 3 months following the date of diagnosis.
For the above definition, the following are not covered:
- The diagnosis or treatment of any cyst, granuloma, hamartoma or malformation of the arteries or veins of the brain
- Tumours of the pituitary gland

c. **Multiple Sclerosis**

Definite diagnosis of multiple sclerosis, which must be confirmed by a Consultant Neurologist and supported by all of the following criteria:

- Current clinical impairment of motor or sensory function, which must have persisted for a continuous period of at least 6 months
- Magnetic resonance imaging (MRI) showing at least two lesions of demyelination in the brain or spinal cord characteristic of multiple sclerosis

For the above definition, the following are not covered:

- Possible multiple sclerosis and neurologically or radiologically isolated syndromes suggestive but not diagnostic of multiple sclerosis
- Isolated optic neuritis and neuromyelitis optica

d. **Motor Neuron Disease**

A definite diagnosis of one of the following motor neurone diseases:

- Amyotrophic lateral sclerosis (ALS or Lou Gehrig's disease)
- Primary lateral sclerosis (PLS)
- Progressive muscular atrophy (PMA)
- Progressive bulbar palsy (PBP)

he disease must result in a total inability to perform, by oneself, at least 3 out of 6 Activities of Daily Living for a continuous period of at least 3 months with no reasonable chance of recovery. Activities of Daily Living are:

- Washing – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- Getting dressed and undressed – the ability to put on, take off, secure, and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- Feeding oneself – the ability to feed oneself when food has been prepared and made available.
- Maintaining personal hygiene – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- Getting between rooms – the ability to get from room to room on a level floor.
- Getting in and out of bed – the ability to get out of bed into an upright chair or wheelchair and back again.

For the above definition, the following are not covered:

- Multifocal motor neuropathy (MMN) and inclusion body myositis
- Post-polio syndrome
- Spinal muscular atrophy
- Polymyositis and dermatomyositis

e. **Alzheimer’s Disease Before Age 60**

A definite diagnosis of Alzheimer’s disease evidenced by all of the following:

- Loss of intellectual capacity involving impairment of memory and executive functions (sequencing, organizing, abstracting, and planning), which results in a significant reduction in mental and social functioning
- Personality change
- Gradual onset and continuing decline of cognitive functions
- No disturbance of consciousness
- Typical neuropsychological and neuroimaging findings (e.g. CT scan)
- The disease must require constant supervision (24 hours daily) before age 60.

For the above definition, the following are not covered:

- Other forms of dementia due to brain or systemic disorders or psychiatric conditions

f. **Parkinson’s Disease Before Age 60**

Unequivocal diagnosis of idiopathic or primary Parkinson's disease before age of 60. The disease must result in a permanent inability to perform independently three or more Activities of Daily Living.
Activities of Daily Living are:

- Washing – the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means.
- Getting dressed and undressed – the ability to put on, take off, secure and unfasten all garments and, if needed, any braces, artificial limbs or other surgical appliances.
- Feeding oneself – the ability to feed oneself when food has been prepared and made available.
- Maintaining personal hygiene – the ability to maintain a satisfactory level of personal hygiene by using the toilet or otherwise managing bowel and bladder function.
- Getting between rooms – the ability to get from room to room on a level floor.
- Getting in and out of bed – the ability to get out of bed into an upright chair or wheelchair and back again.

These conditions must be medically documented for at least three months. The implantation of a neurostimulator to control symptoms by deep brain stimulation is, independent of the Activities of Daily Living, covered under this definition. The implantation must be determined to be medically necessary by a Consultant Neurologist or Neurosurgeon.
For the above definition, all other form of Parkinsonism is excluded.

g. Paralysis of Limbs

Total and irreversible loss of muscle function to the whole of any 2 limbs as a result of injury to, or disease of the spinal cord or brain. Limb is defined as the complete arm or the complete leg. Paralysis must be present for more than 3 months, confirmed by a Consultant Neurologist and supported by clinical and diagnostic findings.
For the above definition, the following are not covered:

- Paralysis due to self-harm or psychological disorders
- Guillain-Barré-Syndrome
- Periodic or hereditary paralysis

h. Bacterial Meningitis

A definite diagnosis of bacterial meningitis resulting in a persistent neurological deficit documented for at least 3 months following the date of diagnosis. The diagnosis must be confirmed by a Consultant Neurologist and supported by growth of pathogenic bacteria from cerebrospinal fluid culture.
For the above definition, the following are not covered:

- Aseptic, viral, parasitic, or non-infectious meningitis

i. Coma

A definite diagnosis of a state of unconsciousness with no reaction or response to external stimuli or internal needs, which:

- results in a score of 8 or less on the Glasgow coma scale for at least 96 hours,
- requires the use of life support systems, and
- results in a persistent neurological deficit which must be assessed at least 30 days after the onset of the coma.

The diagnosis must be confirmed by a Consultant Neurologist.
For the above definition, the following are not covered:

- Medically induced coma
- Any coma due to self-inflicted injury, alcohol, or drug use

j. Loss of Speech

A definite diagnosis of the total and irreversible loss of the ability to speak as the result of physical injury or disease. The condition must be present for a continuous period of at least 6 months.
For the above definition, the following are not covered:

- Loss of speech due to psychiatric disorders.

k. Profound Vision Loss

Profound vision loss of both eyes resulting from either disease or trauma that cannot be corrected by refractive correction, medication, or surgery. Profound vision loss is evidenced by either a visual acuity of

3/60 or less (0.05 or less in the decimal notation) in the better eye after best correction or a visual field of less than 10° diameter in the better eye after best correction.

l. Deafness

A definite diagnosis of a permanent and irreversible loss of hearing in both ears as a result of sickness or accidental injury. The diagnosis must be supported by an average auditory threshold of more than 90 db. at 500, 1000 and 2000 hertz in the better ear using a pure tone audiogram.

Neurological deficits - definition

When referred to Neurological Deficit it means symptoms of dysfunction in the nervous system that are present on clinical examination. Symptoms that are covered include numbness, hyperaesthesia (increased sensitivity), paralysis, localized weakness, dysarthria (difficulty with speech), aphasia (inability to speak), dysphagia (difficulty in swallowing), visual impairment, difficulty in walking, lack of coordination, tremor, seizures, lethargy, dementia, delirium, and coma.

For the above definition, the following are not covered:

- An abnormality seen on CT- or MRI-scans or other imaging techniques without definite related clinical symptoms
- Neurological signs occurring without symptomatic abnormality, e.g. brisk reflexes without other symptoms
- Symptoms of psychological or psychiatric origin

Art. 6 Other insurance events

a. Major Organ or Composite Tissue Transplantation

The undergoing as a recipient of an allograft or isograft transplant of one or more of the following:

- Liver, lung, small bowel or pancreas
- Part of or whole face, arm, hand or foot.

b. Third-degree burns

Burns that involve destruction of the skin through its full depth to the underlying tissue (third-degree burns) and covering at least 20% of the body surface as measured by "The Rule of Nines" or the "Lund and Browder Chart". The diagnosis must be confirmed by a Specialist.

For the above definition, the following are not covered:

- Third-degree burns due to self-inflicted injury.

c. Loss of limbs

A definite diagnosis of complete severance of two or more limbs at or above the wrist or ankle joint as the result of an accident or medically required amputation.

For the above definition, the following are not covered:

- Loss of limbs due to self-inflicted injury.

d. HIV Infection due to Blood Transfusion

A definite diagnosis of an infection with the Human Immunodeficiency Virus (HIV) resulting from transfusion of blood products. The HIV infection must be evidenced by all of the following:

- The infection is caused by a medically necessary transfusion of blood products received after commencement of the policy
- The institution or transfusion service, which provided the transfusion of blood products, is officially registered with and recognized by the health authorities
- The institution or transfusion service which provided the transfusion of blood products admits liability
- HIV seroconversion must occur within 12 months of transfusion

The transfusion of the contaminated blood product must have been carried out within the European Economic Area or Switzerland

For the above definition, the following are not covered:

- HIV infection resulting from any other means of transmission, including sexual activity or drug use
- IV infection resulting from transfusion of blood products due to haemophilia or thalassaemia major.

e. HIV Infection due to Occupation

A definite diagnosis of an infection with the Human Immunodeficiency Virus (HIV) resulting from an incident occurring during normal duties of employment from eligible occupations in health care, fire service, ambulance services or police:

The HIV infection must be evidenced by all of the following:

- The incident must have taken place after commencement of the policy
- The incident must have been reported, investigated and documented in accordance with current guidelines of appropriate authorities (for example, workers' compensation board)
- A HIV-negative blood test taken within 5 days of the incident
- HIV seroconversion must occur within 12 months of the incident
- The incident must have occurred while performing an occupation within the European Economic Area or Switzerland
- For the above definition, the following are not covered:
- HIV infection resulting from any other means of transmission, including sexual activity or drug abuse.

f. HIV Infection due to Assault

Infection with the human immunodeficiency virus (HIV) where the virus is acquired as a result of a physical assault (that is the assault must have caused the HIV infection) on the Insured Person in Iceland, involving needlestick injury with a sharp instrument or blood-stained body fluid and where sero-conversion to the HIV infection occurs within six months of the assault. HIV infection resulting from or transmitted by any other means is specifically excluded, except due to occupation or blood transfusion. Any assault causing a potential claim must have been reported to the police within 5 days of the assault and be supported by a negative HIV anti-body test taken within five days after the documented assault. We must be given access to independently test all the blood samples and to take such added samples as we deem necessary or advisable.

Art. 7 How is the compensation determined?

The compensation amount is based on the insurance amount in effect on the date when the insurance event occurred, with the monthly amendments that may be made to the insurance amount using the consumer price index for price indexation from the renewal date of the insurance to the date of payment.

Compensation is paid to the insured only once for a disease, operation or an occurrence in each category. Even if the consequences of a single insurance event are included in more than one category in the insurance, compensation is only paid once. Upon payment of compensation, the category which compensated for, is removed from the cover. The insurance will be ongoing, including remaining categories, except diseases, operations or occurrences that are directly or indirectly the consequence of the insurance event for which the Company has already compensated for.

Art. 8 Time limits

Benefit is not paid to the insured unless an insurance event is confirmed during the validity period of the insurance. If a disease is diagnosed after the insurance expires, no duty of compensation exists even though it could be argued that the disease existed while the insurance was still in effect.

Benefit is not paid if the insured undergoes a coronary artery procedure or is diagnosed with cancer, multiple sclerosis or myocardial infarction in the first three months after taking out the insurance. It is condition for payment of benefit is that the insured lives for at least thirty days from the date when insurance event is confirmed.

Art. 9 Premium

The insurance premium increases on the renewal date each year until the insured reaches the age of 55, in accordance with the premium rates of the Company. As of the age of 56, the insurance amount decreases on the date of renewal each year. The decrease is based on the premium remaining unchanged in real value.

Art. 10 Right to increase insurance amount without health declaration

If a premium for critical illness insurance is determined without a premium surplus, the insured can apply in writing for an increase in the insurance amount during the validity period of the insurance without further information about his health within three months since the insured has a child or adopts a child younger than 18. The maximum increase in the insurance amount is 25% of the amount, but up to a maximum of ISK 4 million, although so that the total amount of the insured's health insurance does not exceed ISK 15,000,000. This right of increase is cancelled at age 45 on the insured's birthday and also if the insured has been received compensation from the insurance**.**

Upon increase of the insurance amount, the insured's premium increases in accordance with the insurer's premium tariff. The increase will be in effect on the policy’s next renewal date after all conditions have been fulfilled. This right cannot be utilized if a claim for benefit payment has been made, or if the insured has been diagnosed with one of the diseases, undergone or is awaiting a procedure, has suffered one of the covered events or if the insured has a serious accident during the agreement period.

2. SECTION CHILDREN COVER

Art. 11 Geographical scope of cover

This insurance is valid anywhere in the worlds unless otherwise is stated.

Art. 12 What does the insurance cover?

The Company pays compensation if a child of the insured is diagnosed with a disease, undergoes one of the procedures or suffers from an event covered in this policy during the effective term of the insurance. In addition, the Company pays compensation according to the same definition for the foster children and stepchildren of the insured who are domiciled and live at the same address as the insured.

Art. 13 Exclusions

Compensation is not paid for adopted children if it is possible to trace the cause of the disease or procedure to the condition of the child before he/she was adopted. The same applies to stepchildren and foster children. The condition is set that children, foster children or stepchildren survive for at least thirty days after they have been either diagnosed with an illness or a procedure has been performed, either of which leads to liability

Art. 14 How is the compensation determined?

Compensation from the children’s insurance policy is 50% of the insurance amount of the policy but a maximum, however, of ISK 10,000,000 for each child. Compensation for a child can never be higher even if more than one insurance policy from which the child may be entitled to compensation is in effect with the Company, in which case the compensation is paid proportionately according to the insurance amounts. Payment of compensation from the insurance policy for children, stepchildren and foster children has no effect on the insurance coverage or the effectiveness of the insurance policy. Compensation is only paid once for each child.

Art. 15 Age limits

The insurance applies to children aged 3 months to 18 years of age. Age limits according to this provision are based on date of birth.

Art. 16 Time limits

Compensation is only paid for children if insurance event is confirmed during the effective term of the policy. In the event that a disease is diagnosed after the insurance has expired, the Company is not liable even if it may be argued that the disease was present while the insurance was in effect. It is condition for payment of benefit is that the insured child lives for at least thirty days from the date when insurance event is confirmed.

3. SECTION WAIVER OF PREMIUM

Art. 17 Geographical scope of cover

This insurance is valid anywhere in the world.

Art. 18 What does the insurance cover?

If the insured loses at least half of his work capacity during the effective term of the insurance, due to accident or illness, he is entitled to a decrease in premiums while such condition persists but not longer, however, than for five years. The Waiver of Premium begins six months after the loss of work capacity was assessed.

Art. 19 Exclusions

The insured does not acquire the right to a Waiver of Premium if his loss of capacity is directly or indirectly caused by illness that the insured had, or had symptoms of, before the entry into effect of the insurance or the consequences of an accident that occurred before the entry into effect of the insurance.

Art. 20 How is the compensation determined?

Complete loss of work capacity provides the right to full Waiver of Premium, while a 50% or greater loss of capacity provides the right to a proportionate Waiver of Premium. A request for a Waiver of Premium must be delivered in writing to the Company on the appropriate form together with the necessary data to assess the loss of capacity, at no cost to the Company. The Company will use the insured’s ability to undertake his former work and the possibility of undertaking other work as the basis for the evaluation of the loss of capacity to work. Waiver of Premium are never granted for a period longer than one year retroactively from the time the request for a discount was delivered to the Company. During such time as the insured is entitled a Waiver of Premium, he is under obligation to provide the Company with the necessary health information together with other information and to attend medical examinations as needed, at the Company’s expense. The insured is under obligation to immediately notify the Company if he regains his capacity to work in part or in full.

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 Feb 26th 2021 and replace conditions valid from July 4th 2017.