

Articles of Association for Almenni Pension Fund

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Approved at the Annual General Meeting on 11 April 2019.

Chapter 1 General Provisions

Article 1 Name of the Fund, Domicile and Organisation

- 1.1 The name of the Fund is ALMENNI PENSION FUND. The domicile of the Fund and legal venue are in Reykjavík.
- 1.2 In Almenni Pension Fund, Fund members can pay contributions into both a private pension plan and a mutual insurance plan. The operations of these plans are financially segregated.

Contributions to the private pension plan are entered into the private accounts of Fund members, as further provided in Chapter 3 of these Articles of Association.

Through payments into the mutual insurance plan, Fund members earn pension entitlements in accordance with the terms laid down in Chapter 4 of these Articles of Association.

Article 2 Role

- 2.1 The role of the Fund is to take delivery of contributions paid in by Fund members and invest them in order to secure pensions for Fund members and their spouses and children in accordance with the rules laid down herein.
- 2.2 The role of the Fund is to take delivery of contributions paid by Fund members and secure for them minimum insurance coverage in accordance with Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds. Furthermore, to take delivery of supplementary contributions so that Fund members can supplement their pension entitlements.

Article 3 Membership

- 3.1 Membership of the Fund is open to all. Furthermore, the Fund acts as the occupational pension fund for architects, tourist guides, physicians, musicians and technical engineers.
- 3.2 Anyone may pay supplementary contributions into the Fund
- 3.3 Persons owning holdings in the private pension plan or rights in the mutual insurance plan are regarded as Fund members. Persons receiving old-age or disability benefits from the Fund are regarded as Fund members. Persons receiving spouse or child benefits from the Fund are regarded as rights holders.
- 3.4 Membership of the Fund shall lapse if a Fund member has been paid his or her entitlements or holdings in full.

Article 4 Contributions

- 4.1 Fund members may pay both a minimum contribution and a supplementary contribution to Almenni Pension Fund. The minimum contribution shall be the contribution specified in Article 2 of Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds. Of the minimum contribution, a contribution is paid toward a statutory minimum insurance coverage to a mutual insurance plan, as defined in Table 1 in Chapter 6, while the balance is paid into a private pension plan. A supplementary contribution is paid into the private pension plan; however, Fund members may apply to pay a supplementary contribution into the mutual insurance plan, as provided in Section 21.1.
- 4.1 In the event that an individual who has previously been a member of another pension fund becomes a member of this Fund, the Board of Directors of the Fund may accept as single payment the credit he/she may receive from the fund that he/she has transferred from.
- 4.3 Employers are required to deduct pension contributions from their employees' wages and transfer them to the Fund on a monthly basis together with their share in the contributions pursuant to Article 7 of the Act on mandatory pension insurance and the operation of pension funds. The due date of contribution payments for each month is the 10th day of the following month. Fund members are required to keep track of contributions transferred to the Fund. If a Fund member does not notify the

Fund of unpaid contributions he/she shall bear the cost and risk of the collection of unpaid pension contributions which have fallen due 19 months before the cut-off date or earlier.

- 4.4 The Pension Fund may calculate default interest on contributions paid after the final due date, which is the last day of the month following the wage period. Default interest is calculated from the due date until the payment date.
- 4.5 If a Fund member pays contributions based on a higher annual income than ISK 30 million, the part of the contributions of the Fund member that has been paid toward entitlement projection of disability and spouse pension in excess of the reference limit pursuant to Section 19.3 and Table 5 shall be refunded to the Fund member's private pension plan. The refunding shall take place before the end of May as calculated based on the paid-in contributions in respect of contribution periods of the preceding year. The above reference amount of income is adjusted at the beginning of each year in line with changes in the consumer price index of January 2014, 416.7.

Chapter 2 Board of Directors, Annual General Meeting and Investment Powers

Article 5 Board of Directors

- 5.1 The Board of Directors of the Fund shall be composed of six Fund members, three women and three men, elected at the Annual General Meeting for a term of three years.

Alternate members of the Board are three Fund members with each gender represented by at least one alternate member.

Normally, two Fund members and one alternate member shall be elected each year at each Annual General Meeting.

Nominations to the Board of Directors (principals) shall be submitted one week before the Annual General Meeting to the Board of Directors of the Fund.

Members of the Board shall be elected by majority vote. If one candidate is to be elected, votes representing the entire holdings of Fund members shall fall to that candidate. If two members are to be elected, a Fund member may tick the names of two candidates, who will then receive votes corresponding to the entire holdings of that Fund member.

Alternates shall be elected in separate elections following the election of principal members.

The results of an election, of both principals and alternates, shall be subject to the conditions of paragraphs 1 and 2 regarding the ratio of genders on the Board. If a vacant seat is to be allocated to a woman, the woman candidate receiving the greatest number of votes is elected, and vice versa if a vacant seat is to be allocated to a man.

Alternates shall be summoned in the absence of Board members in the order that they were elected. Alternate members have voting rights only when they serve as principal members.

A Board member may serve on the Board of Directors of the Fund for up to 12 years.

- 5.2 Members of the Board of Directors shall be domiciled in Iceland, be of legal age and competent to manage their financial affairs and fulfil in other respects the provisions of Article 31 of the Act on mandatory pension insurance and on the activities of pension funds, No. 129/1997.

The Board of Directors of Almenni Pension Fund is responsible for the operation of the Fund in accordance with Act No. 129/1997, government regulations issued thereunder and the Fund's Articles of Association. The Board shall draw up its own rules of procedure and propose amendments to the Fund's Articles of Association at the Annual General Meeting.

The Board of Directors of the Fund is responsible for its administration and shall discuss all major decisions regarding the Fund's strategic planning and operations. The Board shall appoint a managing director and decide on his/her salary and other terms of his/her employment. The Board of Directors shall appoint a manager of internal auditing or negotiate with an independent supervisory body to assume responsibility for internal auditing. If the Board negotiates with an independent supervisory body, that body shall not be the auditing firm that audits the Fund's annual financial report.

The Board of Directors shall shape the Fund's investment strategy, adopt rules on the reporting of information by the managing director to the Board on operations, contributions, earning of entitlements and use of the Fund's assets. Furthermore, the Board shall establish rules of procedure on the securities trading of the Fund, its Board of Directors and employees and obtain their confirmation from the Financial Supervisory Authority. The Board confers and withdraws signatory powers of the managing director and other staff members.

- 5.3 The Board of Directors shall elect a Chairman and otherwise divide tasks among its members. The Chairman shall call Board meetings and shall convene a meeting if requested to do so by any member of the Board. Minutes shall be kept of proceedings at Board meetings and these shall be signed by the attendants of the meeting.
- 5.4 The presence of the majority of the Board of Directors of the Fund constitutes a quorum. Important decisions, however, may not be taken unless all members of the Board have had the opportunity to discuss the matter, if possible. Issues at meetings of the Board of Directors shall be decided by a simple majority. In the event of an equality of votes, the Chairman shall cast the deciding vote.
- 5.5 The Board of Directors represent the Fund and its decisions are binding for the Fund. The Board of Directors may confer authorisation to bind the Fund to members of the Board, or other parties, in accordance with Article 29.
- 5.6 The Board of Directors of Almenni Pension Fund may invite representatives of groups of Fund members to attend Board meetings as observers with the right to speak and submit motions.
- 5.7 The members of the Board of Directors of Almenni Pension Fund shall be remunerated for their work, such remuneration to be decided by the Annual General Meeting.

Article 6 Annual Accounts and Auditing

- 6.1 The fiscal year of the Fund shall be the calendar year.
- 6.2 The Annual General Meeting shall elect an auditor or auditing firm to audit the annual accounts of the Pension Fund. Supervision of the operation of the Fund is subject to the provisions of Chapter IX of Act No. 129/1997. Proposals on an auditor or auditing firm shall be submitted one week prior to the Annual General Meeting to the Board of Directors of the Fund and presented on the Fund's website.
- 6.3 The Board of Directors shall prepare an annual financial statement before the close of March of the year following each fiscal year. The annual financial statement shall be made public on the Fund's website for inspection by Fund members, who may also request a printed copy at the Fund's office. The financial statement shall also be submitted to the Financial Supervisory Authority.
- 6.4 The annual financial statement shall be prepared in accordance with applicable legislation and generally accepted accounting standards, as well as rules that may be established for the annual accounts of pension funds. The auditors shall confirm the annual financial statement with their signatures, thereby confirming that the statement and the Fund's accounts, on which the statement is based, are prepared in accordance with generally accepted accounting principles, and shall also confirm that the disposal of the Fund's assets is in accordance with the provisions of these Articles of Association.
- 6.5 The Board of Directors of the Fund shall, at its first meeting following an Annual General Meeting, appoint an audit committee of three members for a term of one year in accordance with Article 108 (a) of Act No. 3/2006 on annual accounts. The audit committee shall attempt to ensure the integrity of annual accounts and other financial information, as well as the impartiality of auditors of the Fund. The functions of the committee are the following:
 1. supervision of work processes in the preparation of accounts;
 2. supervision of the arrangements and efficiency of the internal control of the Fund, internal auditing, as applicable, and risk management;
 3. supervision of the auditing of the annual financial statement and consolidated financial statement of the Fund;
 4. assessment of the impartiality of the auditor or auditing firm and supervision of other tasks of the auditor or auditing firm;

5. submission of recommendation to the Board of Directors on the choice of auditor or auditing firm.

Article 7 Annual General Meetings and Fund Members' Meetings

- 7.1 The Board of Directors shall summon Fund members to an Annual General Meeting once a year, in March or April.
- 7.2 The Board of Directors shall call the Annual General Meeting with at least 14 days' notice in a secure manner. The notice of the meeting shall specify the agenda. An Annual General Meeting is valid if it is lawfully convened.
- 7.3 The Board of Directors of Almenni Pension Fund shall submit a report on its work over the preceding year and on the financial situation of the Fund. Furthermore, the officials of the Fund provided for in these Articles of Association shall be elected at the Annual General Meeting. The agenda of the Annual General Meeting shall be as follows:
 1. Report of the Board of Directors.
 2. Approval of the financial statement for the preceding year of operation and a presentation of the actuarial report for the mutual insurance plan.
 3. Presentation of the Fund's investment strategy.
 4. Motions to amend the Articles of the Fund, if submitted, cf. Article 8.
 5. Elections to the Board of Directors;
 6. Election of an auditor or auditing firm.
 7. Decision taken on remuneration to the members of the Board.
 8. Any other business
- 7.4 Other meetings of Fund members shall be held at the discretion of the Board of Directors or when 3% of Fund members so request. Such Fund members' meetings shall be called in the same manner as the Annual General Meeting.
- 7.5 A Fund members' meeting is valid if lawfully convened.
- 7.6 A Fund members' meeting has the power to amend the Fund's Articles of Association.

Article 8 Amendments to the Articles and Voting Rights at Fund Members' Meetings.

- 8.1 Proposals for amendment of the Articles of Association shall be submitted to the Board of Directors one month prior to the Annual General Meeting/Fund members' meeting and shall be stated in the agenda.
- 8.2 Amendments to these Articles of Association require the support of 2/3 of the votes cast. Only Fund members with holdings in the private pension plan shall have voting rights concerning Chapter 3 of the Articles of Association. Fund members who hold entitlements in the mutual insurance plan shall alone have voting rights regarding Chapters 4 and 6 of the Articles of Association. The voting rights of Fund members are calculated based on their year-end holdings in the mutual insurance plan in the preceding year and/or proportional holdings in the private pension plan (proportional division of assets based on accrued entitlements). Maximum voting rights shall be limited to holdings of ISK 50,000,000. The amount is price-indexed and shall be adjusted annually based on changes in the consumer price index from the January 2005 base index of 239.0 points.
- 8.3. If a Fund member is unable to attend a Fund members' meeting the member may issue a letter of proxy to another party to exercise his/her vote. The letter of proxy must be in writing and witnessed by two witnesses and restricted to a specific meeting. Through proxy and own voting right a Fund member can exercise a maximum voting right of 0.3% of the total assets of the Pension Fund as at 31 December of the preceding year.

Article 9 Investment Powers

- 9.1 The Board of Directors of Almenni Pension Fund shall prepare an investment strategy and invest the Fund's assets on the best available terms at any time, taking into account return and risk. The Board of Directors shall invest the assets of the Fund taking into account the provisions of the Act on mandatory pension insurance and on the activities of pension funds No. 129/1997 with subsequent amendments.
- 9.2 The Board of Directors of the Fund shall prepare an ownership policy on the way in which the Fund will exercise its powers as a shareholder in companies where the Fund has significant holdings and on the position taken by the Fund with regard to entities in which it has invested.
- 9.3 The Board of Directors shall prepare rules concerning loans to Fund members.

Chapter 3 Private Pension Plan

Article 10 Private Pension Plan

- 10.1 Fund members may contribute to Almenni Pension Fund's private pension plan for supplementary insurance coverage in accordance with Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds.
- 10.1 Prospective contributors to Almenni Pension Fund's private pension plan shall enter into a written contract with the Fund in accordance with the provisions of Act No. 129/1997 and government regulations based on that Act.
- 10.3 The funds contributed to the private pension plan in the name of the Fund member shall constitute his/her private holding. In addition, all income, such as interest, price level adjustments, dividends or gains that may accrue to the Fund in respect of the member's holding in the Fund shall accrue to the member's account.
- 10.4 The Board of Directors may, on having received a request thereto from individual Fund members, subtract from paid contributions an amount corresponding to premiums for life or health insurance in a registered life insurance company. Compensation payments according to the insurance shall be in accordance with Article 11 of Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds.
- 10.5 The net income of the private pension plan shall be divided among Fund members in proportion to their holdings and accrue to their private accounts.
- 10.6 A contract may be terminated with six months' notice. A contract is automatically terminated if a Fund member ceases the employment forming the basis for his or her payments into Almenni Pension Fund private pension plan, unless the member requests to continue payments into the private pension plan. Termination of a contract on pension savings or supplementary pension savings does not give rise to the right to disbursement of a balance or entitlements.

Article 11 Security Portfolios

- 11.1. Fund members can choose between investing their holdings in age-linked securities portfolios, Life Portfolio I, Life Portfolio II, and Life Portfolio III. The Fund is permitted to offer further investment plans and shall prepare a separate investment strategy for each individual investment plan in accordance with Section 9.1 on investment powers.
- 11.2 Fund members can choose between investing their holdings in individual portfolios or selecting the **Lifetime Track**, in which case their holdings are transferred between portfolios according to age. Members choosing this option are automatically, and at no cost to them, transferred from Life Portfolio I to Life portfolio II in equal stages over a period of three years, from the age of 45 to 48, and subsequently from Life Portfolio II to Life Portfolio III in equal stages over a period of three years, from the age of 57 to 60. Contributions received after the transfer between Life Portfolios has commenced will accrue to the Life Portfolio into which the holdings are transferred. Members who do not select a portfolio are regarded as having invested their holdings pursuant to the Lifetime Track. No cost is paid when a holding is transferred between portfolios under the Lifetime Track.

- 11.3 Members may, at any time, select a new portfolio in which to invest their holdings and may transfer their holdings between securities portfolios in a single transfer or in stages. Requests for changes in investment plan shall be confirmed with the signature of the member. In the event of a single-stage transfer the holdings shall be transferred between portfolios at the end of the month in which the request is received. Requests for transfers received in the final two business days of a month will be processed at the end of the next month after the request is received. Fund members shall pay the cost of transferring holdings between investment plans, with the cost paid in equal proportions to the portfolios out of which and into which the transfer is made. The Board of Directors shall decide on the cost, which shall be published in the tariff on the Fund's website.

Article 12 Disbursement of Holdings

- 12.1 Fund members' holdings are paid out in the following manner:

When a Fund member has reached the age of 60 and at least two years have passed from the first payment into the private pension plan it is permitted to commence disbursement of pension savings and interest. A Fund member may withdraw his or her holdings in a single payment or elect to distribute payments over a longer period.

- 12.2 However, the arrangement under Section 12.1 does not apply to the conditional holdings in the private pension plan forming a part of the minimum insurance coverage under the private pension plan pursuant to the Articles of Association of Almenni Pension Fund which were in effect prior to 1 January 2006. The conditional holdings are paid out at the age of 70 to 79. However, Fund members may accelerate the taking of the conditional holdings and extend the payment period so that the balance is paid from the age of 65 to 79.
- 12.3 The arrangement under Section 12.1 does not apply to a private holding that has been transferred from other trusts with stricter disbursement rules than apply to private holdings in Almenni Pension Fund. In such circumstances the same rules will apply as apply to private holdings in the pension fund where the Fund member pays the mutual insurance part of the minimum contribution, as provided in the second paragraph of Article 7 of Regulation No. 698/1998.
- 12.4 Should a Fund member become disabled, and suffer 100% disability, he/she shall have the right to have his/her pension savings and interest paid out in equal annual instalments over a period of seven years. In the event that the percentage of disability is less than 100% the annual payment shall be reduced in proportion to the reduced percentage of disability and the payment period extended accordingly.
- 12.5 On the decease of a Fund member, his or her holding in the private pension plan accrues to his or her heirs and is divided among them according to the rules of the Inheritance Act. If a Fund member does not leave any children or a spouse, the holding shall accrue to the estate of the rights holder without the limitations of the second sentence of the second paragraph of Article 8. Spouse in this Article refers to a person who was in a marriage with the Fund member at the time of his or her decease, as provided in the rules of the Inheritance Act No. 8/1962. The age of the heir determines the portfolio to which the inheritable private holding is transferred on the division of the estate. The private holding is then transferred between portfolios in accordance with the provisions on the Lifetime Track in Section 11.2. Fund members can also select another investment plan, as provided in Section 11.3.
- 12.6 The Board of Directors may depart from the above provisions on pension payments if the holdings in a private pension plan are under ISK 688,761, adjusted annually in proportion to changes in the consumer price index from the base index of 239.0 in January 2005. In such cases, the holdings of Fund members shall be paid over a shorter time than specified in Sections 12.2 and 12.4, or by a lump sum payment if the Fund member so requests.
- 12.7 Applications for disbursement of holdings in a private pension plan shall be made in writing. Disbursements from the private pension plan are normally paid once a month, on the first day of the month. Disbursement may be requested within the month, in which case it is made on the 15th day of each month, or on the next business day. Payment must be requested at least 2 business days prior to disbursement.

Article 13 Division of Holdings between Fund Member and Spouse

- 13.1 On the basis of an agreement reached between a Fund member and his or her spouse, the Fund member may decide on an arrangement pursuant to points (a) and (b) below. Such an agreement shall, as applicable, extend to holdings in the private pension plan and entail mutual and equal division of the holdings during marriage or co-habitation. A Fund member may decide:
- that up to a half of his or her holdings shall accrue to an independent holding for his or her spouse or ex-spouse, in which case his or her balance shall be reduced correspondingly;
 - that up to a half of the contributions of a Fund member in a private pension plan shall accrue to a separate private pension plan for his or her spouse;

Article 14 Transfer of Holdings

- 14.1 In the event that a Fund member leaving this Fund becomes a member of another licensed pension fund or contracts with another pension savings trust, the Board of Directors shall pay the entire holdings of the Fund member to such other trust at the request of the Fund member.
- 14.2 The lump-sum disbursement consists of the holdings of the Fund member, net of costs, which may be a maximum of one percent of the balance of the Fund member in question, or a minimum of ISK 5,000.
- 14.3 A request for the transfer of a holding to another trust shall be confirmed by the Fund member with his or her signature. The holding shall be transferred in a lump sum within 60 days from the time that the request was received, but not earlier than after two business days.

Article 15 Assignment and Pledging of Holdings

- 15.1 Holdings in the Fund shall not be pledged or assigned, in full or in part, e.g. individual disbursements.

Chapter 4 Mutual Insurance Plan

Article 16 On the Mutual Insurance Plan

- 16.1 Almenni Pension Fund's private pension plan has the objective of accepting delivery of minimum contributions from Fund members for the purpose of providing them with minimum insurance coverage and/or supplementary insurance coverage in accordance with Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds. In addition, individual Fund members may contribute to the mutual insurance plan and earn supplementary insurance coverage in the form of lifelong old age pension, disability pension and spouse and child pension on the decease of the member.
- 16.2 The mutual insurance plan is permitted to secure spreading of its risk with regard to its pension obligations, in part or in full, from insurance companies in accordance with the Act on insurance activities. Furthermore, the mutual insurance plan may purchase certain insurance coverage from insurance companies or other pension funds for the benefit of individual Fund members. Also, Almenni Pension Fund may co-operate with other pension funds regarding certain aspects of insurance coverage.
- 16.4 Contributions to the mutual insurance plan shall be invested in a separate securities portfolio for the mutual insurance plan. The Board of Directors of Almenni Pension Fund shall formulate an investment strategy and invest the funds of the mutual insurance plan as provided in Section 9.1.

Article 17 Entitlements under Almenni Pension Fund Mutual Insurance Plan

- 17.1 Through payments to the mutual insurance plan, Fund members can secure for themselves minimum insurance coverage in accordance with Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds. This allows Fund members to secure for themselves lifelong pension payments from the age of 70, disability pension from the time of loss of working capacity and spouse and child pension on the decease of the Fund member.

- 17.2 Through payment of contributions toward the minimum insurance coverage, a Fund member secures for himself/herself entitlement to an old age pension, disability pension and spouse and child pension. The minimum insurance coverage is defined in Articles 18-20.
- 17.3 Supplementary insurance coverage. Fund members may pay a supplementary contribution to the mutual insurance plan and supplement their entitlement with minimum entitlements and supplementary old age pension benefits. Supplementary insurance coverage is defined in Article 21.

Article 18 Old age pension

- 18.1. Monthly old age pension is paid life-long from the age of 70. A Fund member may bring forward the taking of pension benefits and start pension payments at the age of 60, in which case the amount of monthly old age pension is reduced as shown in Table 3 in Chapter 6. A Fund member who has reached the age of 70 may defer the taking of pension benefits, in which case the amount of the old age pension increases, as shown in Table 3 in Chapter 6 for each month that the taking of the pension is delayed. In this way, a Fund member can delay the taking of an old age pension up to the age of 80 years against a permanent increase of monthly old age pension payments.
- 18.2. The entitlements of Fund members to old age pension are calculated in krónur based on the contribution paid into the mutual insurance plan each time. Entitlements are determined by the age of the Fund member at the end of the month in respect of which the contribution is paid into the mutual insurance plan, in accordance with Table 2 in Chapter 6 of these Articles of Association. The entitlements are index-linked and adjusted based on changes in the consumer price index.
- 18.3. Old age pension is paid monthly in advance, life-long, based on accrued entitlement. The entitlement to an old age pension lapses on the decease of the Fund member. The right to take an old age pension first comes into effect for the first month after the age of 60 years is reached. See Table 3 in Chapter 6 of these Articles of Association.
- 18.4. If a Fund member continues to earn entitlements to an old age pension after beginning to take an old age pension before the age of 70 years supplementary entitlements are earned in accordance with Section 18.2. Old age pensions are reviewed at the age of 70 unless a Fund member requests an earlier review, but not before one year has passed from the taking of the old age pension began and not more frequently than once each year.
- 18.5. Taking an old age pension before the age of 70 by a Fund member represents a final arrangement of old age and disability pension entitlements, and the Fund member then has no independent entitlement to a disability pension thereafter out of his or her earned entitlements. If the Fund member has earned an additional entitlement to an old age pension by paying contributions after beginning to take an old age pension, a new determination shall be made of his or her old age pension if the member has lost his or her capacity to work by 50% or more and the additional entitlement will not be curtailed, as shown in Table 3 in Chapter 6.
- 18.6. A Fund member who has not begun to take an old age pension from the Fund may decide to begin taking half an old age pension at any time after reaching the age of 60 years, in which case he or she shall be regarded as having disposed of that part of his or her old age pension entitlements, as described in Section 18.5. Section 18.1 shall apply to the part that is disposed of prior to the age of 70 years and to the deferred part after the age of 70 years is reached.
- 18.7. A Fund member who has started taking an old age pension on the entry into force of this Article may, by an application to such effect, until 1 January 2020, begin taking half an old age pension. In such an event, an actuary shall conduct a separate assessment of the impact of the deferral and/or bringing forward on the amount of the pension, as Section 18.1 does not apply in such circumstances. The assessment conducted by the actuary shall be based on the assumption that the actuarial obligations of the Fund will not change; thus, the assessment shall be based on the same principles that underlie Section 18.1. A Fund member taking advantage of the provisions of this Section shall, as before, be regarded as having disposed his or her entitlements by a final arrangement

Article 19 Disability Benefits

- 19.1 A Fund member is entitled to a disability pension if he or she suffers permanent loss of capacity assessed at 50% or more and has become incapable of work and suffered demonstrable loss of income as a result of the loss of capacity. Disability pension is based on earned pension entitlements, as provided in Section 19.3, and projected entitlements provided that the Fund member meets the following conditions.
1. The Fund member has paid into Almenni Pension Fund mutual insurance plan for at least three years out of the four preceding years and paid no less than ISK 41,390 each year. The amount is index-linked based on the consumer price index for January 2005, i.e. 239.0.
 2. The Fund member has paid into Almenni Pension Fund mutual insurance plan for at least six months in the preceding 12-month period.
 3. The Fund member has not suffered loss of capacity which can be attributed to abuse of alcohol, pharmaceuticals or drugs.
- 19.2 In the event that a Fund member has earned the right to projection which lapses as a result of temporary absence from the labour market owing to employment abroad, studies, leave of absence from work, childbirth or comparable reasons, the right to projection shall become effective again no later than six months from the time that he or she begins work again and payment of contributions to Almenni Pension Fund's mutual insurance plan.
- 19.3 The entitlements of Fund members to old age pension are calculated in krónur, based on the contribution paid into the mutual insurance plan each year. Entitlements are determined by the age of the Fund member at the time that the contribution is paid into the mutual insurance plan, in accordance with Table 2 in Chapter 6 of these Articles of Association. The entitlements are index-linked and adjusted based on changes in the consumer price index.

If a Fund member is entitled to entitlement projection, the pension entitlements that the member would have earned by contributions to the age of 65 shall be calculated in addition to the earned pension entitlements, as shown in Table 2 in Chapter 6. Projection of entitlements shall take account of the average contributions of the three calendar years immediately preceding the loss of capacity. However, the calculation of the average shall not take into account higher contributions than would have been paid from an annual income of ISK 30 million, see Section 4.5.

Full disability pension is paid based on 100% disability, while pension payments are proportional for loss of capacity between 50% and 100%.

- 19.4 Disability pension is not paid for the first three months following loss of capacity. No disability pension is paid if the loss of capacity is of shorter duration than six months. If a Fund member becomes disabled after the age of 67 no disability pension is paid.
- 19.5 Disability pension is paid if the medical officer of the Fund assesses the medical disability at a minimum of 50% (percentage of disability) and the Fund member has suffered curtailment of income, cf. Section 19.6.
- 19.6 The disability assessment shall be based on the capacity of the Fund member to earn an income. The percentage of disability shall be determined based on information on the medical history of the applicant and information on the position and earned income of the applicant in the three preceding years and his or her potential for earning wages on the date of assessment. In the event that the Board of Directors of the Fund is of the opinion that the three preceding years are disadvantageous for the Fund member, e.g. as a result of absences owing to sickness or unemployment, the Board may base the assessment on the three best years out of the preceding five years.
- 19.7 The disability shall be assessed at least every three years, and more frequently if requested by the Board of Directors or the disability pensioner. The Board of Directors shall reduce or discontinue the disability pensions of pensioners who recover their capacity for work in part or in full. Also, the Board of Directors shall increase the disability pension if the disability increases substantially from the time of its assessment in previous decisions through no fault of the member.

Assessment of disability under Sections 19.5 and 19.6 shall, for the first three years, be based on the inability of the Fund member to perform the work he or she has previously performed. Following

this period, the disability assessment shall be based on the incapacity of the Fund member for general employment.

- 19.8 The disability pension shall be multiplied by the percentage of disability. A disability pension shall in no case exceed the loss of income demonstrably suffered by the Fund member as a result of the disability. The Board of Directors may require testimonials from the Directorate of Internal Revenue, employer, etc. for purposes of verification.

In determining whether any loss of income has occurred, the Fund Member shall be determined a reference income which shall be the average of Fund members' income in the last three calendar years preceding the loss of ability, as provided in Section 19.3 on projections. From the date of determination, the reference income shall be adjusted in line with changes in the wage index. In calculating loss of income, account shall be taken of the disability pensioner's employment income, pension payments and benefits received from Social Security and other pension funds and benefits received under collective bargaining agreements as a result of the disability. The decision announcing the pension shall state what employment income was used in the calculations, so that the Fund member is aware of what income level the reduction in disability benefits is based on. Disability pensioners are required to provide to the Fund with information on their declared taxable income if so requested. Delaying or cancelling pension payments is permitted if a Fund member does not supply the requested information.

- 19.9 On the recommendation of the Fund's medical officer, the condition may be made for payment of disability pension that the Fund member undergo rehabilitation which might lead to improved health and future ability to earn an income.
- 19.10 A Fund member applying for a disability pension from the mutual insurance plan or taking a disability pension is required to provide to the Board of Directors any information on his or her health which may be necessary to judge his or her entitlement to a disability pension.
- 19.11 A certain proportion of the disability pension payments shall be used to contribute to a private pension plan, or for the purchase of supplementary old age pension entitlements in a mutual insurance plan if the Fund member prefers.
- 19.12 The disability pension lapses when the disability is assessed as less than 50%, or when the Fund member ceases to endure curtailment of income, pursuant to Sections 19.5 and 19.8, or when the Fund member reaches the age of eligibility for an old age pension. At the age of taking an old age pension the earned pension entitlements of the Fund member shall be re-assessed so that to the previously determined disability pension entitlements is added the projected pension entitlement, calculated proportionally to the disability assessment in accordance with Section 19.5, taking into account income as provided in Section 19.8.

Article 20 Spouse Pension and Child Pension

- 20.1 On the decease of a Fund member, a spouse pension shall be paid to the surviving spouse.
- 20.2 A spouse pension is paid to the spouse of a deceased Fund member for a minimum of 30 months. A spouse pension is paid for a longer period if one of the following conditions is met:
1. the youngest child supported by the spouse and formerly supported by the Fund member is younger than 20 years of age;
 2. the spouse is a 50% invalid, at a minimum, and younger than 67 years of age.
- 20.3 Full spouse pension corresponds to 50% of the earned and projected disability pension of a Fund member on his or her decease, based on 100% disability.
- 20.4 In the event of the decease of a Fund member who has paid contributions into the mutual insurance plan for a minimum of 24 months during the preceding 36 months, or who was taking an old age and disability pension at the time of his decease, or who had earned the right to entitlement projection pursuant to Section 19.1, his children pursuant to Section 20.6 under the age of 20 shall be entitled to a pension until the age of 20. The same entitlement to a pension is granted to the children of a disability pensioner who has earned an entitlement to projection pursuant to Section 19.1, provided that the children were born or adopted prior to the loss of capacity and up to 12 months following the

loss of capacity. In the event of assessment of disability under 100%, the child pension shall be proportionally lower.

In the event that the decease or disability of a Fund member entitles the children to pension from another pension fund as well, the pension from this Fund shall be attached to the condition that the Fund member last paid contributions to this Fund.

- 20.5 The minimum full child pension shall be ISK 18,464 per month for each child of a disability pensioner or each child of a deceased Fund member. If the child of a deceased Fund member has neither a living parent nor adoptive parent, a double child pension will be paid in respect of each child. These amounts shall be adjusted annually based on changes in the consumer price index from the base index of 239.0 points in January 2005.
- 20.6 For the purposes of this Article, a spouse is defined as the person who at the time of demise was united in marriage or co-habitation with the deceased pension member, provided that their joint estate has not been dissolved prior to the demise of the Fund member. Co-habitation means a union between two persons who live together at a common domicile, who have a child together or where the woman is pregnant, or co-habitation has been continuous for at least two years.

For the purposes of these Articles, children means the children and adopted children of a Fund member, including stepchildren and foster children, who have been supported by the Fund member in full or for the most part during the final two years preceding his/her death.

Article 21 Supplementary Insurance Coverage

- 21.1 Fund members may increase their contribution to Almenni Pension Fund mutual insurance plan and earn the following additional pension entitlements:

1. supplement to minimum insurance coverage;
2. supplementary old age pension.

In the event that a Fund member wishes to pay a supplementary contribution to the mutual insurance plan, a written contract shall be made with the Fund member stipulating the proportion of the contribution base that the supplementary contribution is to correspond to, its term of effect and its use, in accordance with Sections 21.2 and 21.3. The maximum contribution to the mutual insurance plan is 15.5% of a Fund member's earned income. However, the Board of Directors of the Fund may reject or limit the acceptance of contributions in excess of the statutory minimum contribution to a pension fund pursuant to Article 2 of Act No. 129/1997 if the obligations of the Fund in respect of the Fund member would be seen to increase substantially over and above the value of the contributions, provided that such a decision is adequately reasoned by a written report from the Fund's actuary.

- 21.2 Fund members may request that supplementary contributions should be used to add minimum insurance coverage under Articles 18 to 20. However, if a right to entitlement projection, as provided in Sections 19.3 and 20.4, is formed as a result of a decision to pay a pension, the contribution used as a basis for the entitlement projection shall be limited to proportionally the lowest contribution (i.e. proportionally to the contribution base) that has been paid to the Fund over the last three calendar years preceding the decision to pay the pension. However, it shall never be based proportionately on a lower contribution than specified at any time in Section 4.1.
- 21.3 Fund members can use their holdings in the private pension plan, or part of them, to supplement their old age pension entitlements to the end of their lives in accordance with Table 4.

Article 22 On the Division of Entitlements between Fund Members and Spouses

- 22.1 A Fund member may decide to divide his pension entitlements between himself and his or her spouse in accordance with Article 14 of Act No. 129/1997 on mandatory pension insurance and on the activities of pension funds.

1. Before the taking of a pension is begun, but no later than prior to 65 years of age, and provided life-expectancy is not reduced by sickness or ill-health, a Fund member may elect that up to a half of the value of his/her cumulative earned old age pension entitlements should accrue to

independent old age pension entitlements for his/her spouse or ex-spouse, in which case the entitlements of the Fund member shall be curtailed accordingly. The total obligation of the Fund shall not increase as a result of such a decision by the Fund member, and the division of entitlements shall be based on tables from the Association of Icelandic Actuaries, taking into account the age of the spouse.

2. The Fund member may elect that up to one half of contributions on a Fund member's behalf which are used to form old age pension entitlements shall be used to form independent entitlements for his/her spouse. In the disposal of contributions in respect of minimum insurance coverage and supplementary insurance coverage, it shall be understood that the contribution base of the Fund member has been divided between the member and his/her spouse in the same manner as the contribution.

Article 23 Arrangement of Benefit Payments from the Mutual Insurance Plan

- 23.1 Applications for payment of pension benefits shall be made in writing. Benefits shall normally be paid on a monthly basis. The benefits shall be paid to the pensioner or to a person holding a written power of attorney from the pensioner.
- 23.2 Benefits shall be paid first for the next month after entitlement is created and last for the month in which the entitlement lapses. Old age pension benefits are paid after an application is received by the Fund and are not paid retroactively. If an application for payment of old age pension benefits has not been received at the time that the Fund member reaches the age of 70, a letter shall be sent to the Fund member with information on pension entitlements. On the decease of an old age pensioner, payment of spouse's pension benefits shall begin in the month after payment of old-age benefits ceases.
- 23.3 A Fund member may decide that up to a half of his or her old-age benefits should be paid to his or her spouse or ex-spouse, and in such an event payments shall be divided in accordance with the decision of the Fund member, but the payments shall lapse on the decease of the member. In the event of the decease of the spouse or ex-spouse taking such payments before the Fund member, the full payments shall accrue to the Fund member.
- 23.4 The Board of Directors is not required to pay disability pension more than two years retroactively, calculated from the beginning of the month when the application was received by the Fund.
- 23.5 In the event that the pension entitlement falls short of ISK 5,000 a month, the Board of Directors may pay the entitlement as a lump sum in accordance with actuarial recommendation. The amount shall be adjusted annually based on changes in the consumer price index from the base index of 239.0 points in January 2005. On the lump-sum payment of pension entitlements, the entitlement to a spouse's pension shall lapse.
- 23.6 Pension payments pursuant to Articles 18-21 and Article 25 are index-linked and adjusted in line with the consumer price index.

Article 24 Actuarial Survey

- 24.1 The Board of Directors shall annually appoint an independent actuary to assess the finances of the mutual insurance plan and submit an assessment report in accordance with the provisions of Articles 24 and 39 of Act No. 129/1997.

If an actuarial survey reveals greater discrepancies between the assets and pension obligations of the mutual insurance plan than stipulated in the second paragraph of Article 39 of Act No. 129/1997, the Fund shall respond and make necessary adjustments, as provided in the Act.

The Fund's actuary shall submit recommendations to the Board of Directors of the mutual insurance plan regarding new entitlement figures, including contributions to minimum insurance coverage, taking into account the future position of the Fund according to actuarial surveys. The actuary shall furthermore submit proposals on new rights tables when the present value of contributions toward pension entitlements pursuant to the age-dependent rights table exceeds or falls short of the present value of age-dependent future entitlements by more than 5%.

The Board of Directors of the mutual insurance plan is permitted to adjust entitlement tables in accordance with proposals of the actuary, as outlined above, and the decision of the Board in such regard shall be presented at the following annual meeting of the Fund.

Article 25 Transfer of Entitlements

- 25.1 Fund members who owned entitlements in the Architects' Pension Fund on 30 June 1998 own transferred entitlements in the mutual insurance plan:

Old age pension entitlements from the age of 65 corresponding to old age pension entitlements from the age of 65 in the Architects' Pension Fund;

Disability pension entitlements from the age of 65 corresponding to earned disability pension entitlements in the Architects' Pension Fund;

Family pension entitlements on the decease of a Fund member before the age of 65 which ensure for the surviving spouse a lump sum corresponding to payment of earned old age pension entitlements based on the age of 65 for two years.

- 25.2 Fund members who owned disability pension entitlements the Pension Fund of the Icelandic Society of Engineers on 30 June 1998 and paid for them out of their private pension plan on the establishment of the Pension Fund for Architects and Engineers transferred their corresponding disability pension entitlements to age 65 into the insurance division of the Pension Fund for Architects and Engineers and own transferred disability pension entitlements. The transferred disability pension entitlements from the Pension Fund for Architects and Engineers will lapse on 30 June 2003 unless Fund members have elected to change them into waived disability pension entitlements until the age of 65.

- 25.3 Transferred entitlements pursuant to Sections 25.1 and 25.2 are index-linked and adjusted in line with changes in the consumer price index, from the base index in July 1998, i.e. 184.0 points. The same conditions as those laid down in Articles 18 to 21 apply to transferred entitlements.

- 25.4 Fund members who had entitlements in the Physicians' Pension Fund on 31 December 2005 own transferred entitlements in the mutual insurance plan:

Old age pension entitlements from the age of 67 corresponding to old age pension entitlements from the age of 67 in the Architects' Pension Fund;

Disability pension entitlements to the age of 67 corresponding to earned disability pension entitlements in the Physicians' Pension Fund.

Spouse pension entitlements on the death of a Fund member securing for the surviving spouse a life-long pension amounting to 60% of earned old age and disability pension in the Physicians' Pension Fund. The entitlement to spouse pension lapses if the spouse remarries, enters into co-habitation corresponding to marriage or enters into a registered partnership.

- 25.5 Fund members in the Physicians' Pension Fund can apply, before 25 January 2006, for up to 20% of their pension entitlements to be used

1. To secure for their spouse a family pension (lump sum) if the Fund member dies before the age of 67. The amount of the family pension is calculated by an actuary and is reduced with growing age pursuant to the rules described below. The Pension Fund shall annually send to Fund members electing to secure for their spouses a family pension information concerning the amount of the family pension for that year.

On the decease of a Fund member, a spouse can choose between three methods of disbursement of family pension:

- a) The spouse can have the family pension disbursed as a lump sum;
- b) The spouse can deposit the family pension into a private pension plan and then draw on the holdings according to the applicable rules;
- c) The spouse can pay the family pension into the mutual insurance plan and thereby secure for himself or herself lifelong pension benefits in accordance with Table 4 in Chapter 6.

The amount of the family pension is calculated by an actuary in accordance with the following rules:

- The maximum amount at the outset is 30 times the contributions to the mutual insurance plan, paid into the Fund in 2005 in respect of Fund members who are 40 years of age and younger. The multiple is reduced by 2 for each year in excess of 40 up to and including the age of 45, and then by 1 after that.
 - However, the amount of family pension at the outset cannot exceed an amount whereby the value of family pension would correspond to 20% of the value of earned old age pension entitlement at year-end 2005 pursuant to actuarial calculation.
 - The insurance period extends to the age of 50, in addition to a quarter of the age of the Fund member at the outset of insurance, but to a maximum of 67 years of age.
 - The family pension is then reduced at the start of each calendar year by the same proportion that the time to the end of the family pension was shortened in the preceding year.
2. To form holdings for the Fund member in the private pension plan.
- 25.6 On the amendment of the Articles on 1 January 2006, the option of Fund members to obtain partial minimum insurance coverage in the private pension plan under the private pension plan was cancelled. According to this option, the private pension plan would pay comparable pension payments at the age of 70-79 as the earned minimum old age pension entitlements in the mutual insurance plan from the age of 80. Concurrently with this change, the old age pension entitlements from the age of 80 of Fund members who had elected the private pension plan were converted into a retirement fund and transferred to the retirement division.

Chapter 5 Further Provisions

Article 26 Disclosure obligations

- 26.1. The Pension Fund shall, concurrently with the statement of contributions, and no less frequently than once each year, remit information on acquired and projected pension rights of Fund members, on the operations and financial situation of the Fund, and on changes to its Articles of Association.
- 26.2. The Pension Fund shall send to Fund members a statement of contributions paid at least every six months. The statement shall be accompanied by a request for Fund members to submit immediate comments if demonstrably collected contributions have not been received by the Fund.
- 26.3. The Pension Fund is permitted to send the statements referred to in Section 26.1 and 26.2 by electronic means if a Fund member so requests.

Article 27 Transfer of Entitlements to other Pension Funds

- 27.1 The pension contributions of foreign nationals may be reimbursed on their leaving Iceland, provided that such reimbursement is not prohibited under any international agreements to which Iceland is a party. Transferred entitlements shall be based on the conclusions of the most recent actuarial statement of the Fund, so that the transfer of entitlements is effected based on reasonable actuarial criteria.

Article 28 Arbitration

- 28.1 In the event that a Fund member does not accept the decision of the Board of Directors in a case referred to the Board, he or she may refer the dispute to an arbitration tribunal composed of three arbitrators, one nominated by the Fund member, another nominated by Almenni Pension Fund, and a third member nominated by the Financial Supervisory Authority. The decision of the arbitration tribunal is final for both parties. The cost of arbitration shall be divided between the disputing parties based on the assessment of the tribunal; however, the Fund member shall in no case pay more than one third of the costs. Proceedings before the arbitration tribunal shall be subject to Act No. 53/1989 on Contractual Arbitration.

Article 29 Day-to-Day Operation

- 29.1 The managing director has charge of the day-to-day operations of the Fund, and in this respect he/she shall observe the provisions of law and the Articles of Association of the Fund and the policy and directions of the Board of Directors. The managing director shall hire the employees of the Fund.
- 29.2 The managing director shall only make decisions which are extraordinary or of major consequence based on a special decision of the Board of Directors or pursuant to a plan approved by the Board of Directors. In the event that it is impossible to submit a major decision to a meeting of the Board, the Chairman of the Board and other members shall be consulted to the extent possible. Such decisions must subsequently be discussed at the next meeting of the Board.
- 29.3 All major changes in the organisation of the Fund, internal auditing, accounting and financial reporting may only be made by the managing director in consultation with the Board of Directors and with its approval.
- 29.4 The managing director is responsible for ensuring that the accounts of the Fund are kept in accordance with statutory law and accepted practices. The managing director shall also observe the investment strategy and lending rules established by the Board of Directors. At regular meetings the managing director shall submit reports on the Fund's investments, operation and results. The managing director shall provide the Board of Directors and auditors with any information that Board members may request concerning the performance and activities of the Fund.

Interim provision on amendment of the Articles of Association 26 April 2007

Following an actuarial survey of the pension division as at 31/12/2006, and with reference to Section 17.1 of the Fund's Articles of Association, entitlements in the pension division shall be increased proportionally by 4% based on earned entitlements on 31/12/2006. Earned and transferred pension rights in the insurance division shall increase by the same proportion.

Interim provision on amendment of the Articles of Association 29 January 2009

The pension division is permitted to maintain a 15% difference between assets and anticipated obligations from the actuarial survey of 2008 without changes in entitlements.

Interim provision on amendment of the Articles of Association 10 March 2009

Following an actuarial survey of the finances of the pension division as at 31/12/2006, and with reference to Section 17.1 of the Fund's Articles of Association, entitlements in the pension division shall be reduced proportionally by 10% as of 1 April 2008.

Interim provision on amendment of the Articles of Association 29 October 2009

The divisions of the mutual insurance plan of Almenni Pension Fund (retirement division, insurance division and pension division) are merged on 31 December 2009 into a single division, which will pay pensions in accordance with Chapter 4 of the Articles of Association of the Fund. Entitlements of Fund members in the merged mutual insurance plan will be as follows:

1. The old age pension entitlements of Fund members in the mutual insurance plan in respect of contributions paid in the period 01/01/2006 to 31/12/2009 will be recalculated in accordance with the entitlement tables for disability in respect of old-age and disability entitlements at any time.
2. Retirement funds in the retirement division are changed on 1 January 2006 into life-long old age pension entitlements from the age of 79 years.
3. Recalculated and earned old age pension rights are reduced by 10%.
4. Earned insurance entitlements on 1 January 2006 are transferred disability, spouse and family pension entitlements (including separate Physicians' life insurance) together with retirement funds in the retirement division that are registered to Fund members' names. The earned insurance entitlements are reduced by 10% but remain unchanged in other respects. Child benefits do not change.

5. The entitlements of old age pensioners who have begun taking an old age pension in the period from 1 January 2006 to 31/12/2009 24.01.2005 will be recalculated in accordance with points 1 and 2 and adjusted if the recalculated entitlements prove higher than the previously determined pension.
6. Pension entitlements at the end of 2009 will then be changed in equal proportions in 2010, so that the position of the mutual insurance plan will be in balance at the end of 2009 according to the conclusions of an actuarial survey as at 31 December 2009.

Amendments of these Articles of Association were passed at a Fund members' meeting on 29 October 2009 and they will take effect as soon as the Ministry of Finance has confirmed the Articles. Amendments of the provisions of Sections 16.4, 17.1 to 17.10, 18.1 to 18.4, 19.1, 19.3, 19.12, 20.1, 21.3, 24.1, 25.4, 25.5 and the interim provision of 29 October 2009 take effect on 31 December 2009; until that time the provisions apply as they are in the Articles of Association of the Fund approved at the annual meeting of the Fund on 10 March 2009.

Interim provision on amendment of the Articles of Association 29 April 2010

Following an actuarial survey of the finances of the mutual insurance plan as at 31/12/2006, and with reference to Section 24.1 of the Fund's Articles of Association, entitlements in the pension division shall be reduced proportionally by 12% as of 1 June 2010.

Interim provision on amendment of the Articles of Association 28 April 2011

Following an actuarial survey of the finances of the mutual insurance plan and with reference to Section 24.1 of the Fund's Articles of Association, entitlements in the pension division as at 31/12/2010 shall be reduced proportionally by 2.5% as from the first day of the next month after the Ministry of Finance has confirmed the Articles of Association of the Fund.

The Board of Directors shall have an actuarial survey carried out as at 30/09/2011. If the survey reveals that the Fund's accumulated obligation is 7.5% in excess of assets, the pension entitlements of Fund members as at 31/12/2010 will be reduced proportionally by 2.5% as of 1 November 2011.

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Interim provision on amendment of the Articles of Association 23 April 2013

Following an actuarial survey of the finances of the mutual insurance plan as at 31/12/2006, and with reference to Section 24.1 of the Fund's Articles of Association, earned pension entitlements shall be reduced proportionally by 3.0% as from the first day of the next month after the Ministry of Finance has confirmed the Articles of Association of the Fund. At the same time, pension payments shall be reduced by 0.5% per month, in total by 3%.

Chapter 6 Contribution tables

Table 1:

Contribution to Minimum Insurance Coverage

The contribution needed to pay for the minimum insurance coverage that [the Fund] is required to provide according to Article 4 of Act No. 129/1997 for payment of a minimum contribution to a pension fund according to Article 2 of the same Act.

Contribution to Minimum Insurance Coverage8% of the contribution base

Tafla 2: Yearly pension entitlements from 70 years of age for each 10.000 ISK contribution

Age	Entitlements	Age	Entitlements	Age	Entitlements	Age	Entitlements	Age	Entitlements	Age	Entitlements
16	4.257	26	2.858	36	2.067	46	1.594	56	1.215	66	929
17	4.107	27	2.755	37	2.013	47	1.553	57	1.182	67	901
18	3.958	28	2.657	38	1.960	48	1.514	58	1.151	68	875
19	3.792	29	2.566	39	1.910	49	1.473	59	1.121	69	847
20	3.632	30	2.480	40	1.860	50	1.434	60	1.090		
21	3.483	31	2.401	41	1.813	51	1.395	61	1.062		
22	3.343	32	2.326	42	1.768	52	1.358	62	1.034		
23	3.210	33	2.254	43	1.723	53	1.322	63	1.008		
24	3.085	34	2.189	44	1.678	54	1.284	64	981		
25	2.967	35	2.127	45	1.636	55	1.249	65	955		

Table 3: Reduction of old-age pension if a member opts to take a pension payments before the age of 70

Age when payments start	Reduction for each month	Age	Total yearly reduction
69-70 years	0,75%	69	9,00%
68-69 years	0,66%	68	16,92%
67-68 years	0,59%	67	24,00%
66-67 years	0,53%	66	30,36%
65-66 years	0,48%	65	36,12%
64-65 years	0,43%	64	41,28%
63-64 years	0,39%	63	45,96%
62-63 years	0,35%	62	50,16%
61-62 years	0,32%	61	54,00%
60-61 years	0,29%	60	57,48%

Table 3 continued: Increase in old age pension if a member opts to take a pension payments after the age of 70

Age when payments start	Increase for each month	Age	Total yearly increase
70-71 years	0,69%	71	8,28%
71-72 years	0,79%	72	17,76%
72-73 years	0,90%	73	28,56%
73-74 years	1,04%	74	41,04%
74-75 years	1,20%	75	55,44%
75-76 years	1,40%	76	72,24%
76-77 years	1,65%	77	92,04%
77-78 years	1,95%	78	115,44%
78-79 years	2,33%	79	143,40%
79-80 years	2,80%	80	177,00%

Table 4: Contribution table for supplementary pensions

Yearly pension payments for 1 million ISK from private pension plan

Age	Men	Women
60	60.475	56.542
61	62.064	57.877
62	63.767	59.305
63	65.596	60.835
64	67.561	62.475
65	69.676	64.236
66	71.956	66.128
67	74.415	68.165
68	77.072	70.360
69	79.948	72.729
70	83.064	75.290
71	86.445	78.063
72	90.121	81.069
73	94.123	84.333
74	98.486	87.883
75	103.252	91.752
76	108.466	95.974
77	114.179	100.590
78	120.452	105.646
79	127.350	111.194
80	134.949	117.293

Table 5: Refund table according to article 4.5 of the Articles of Association

The table shows the percentage of contributions in excess of the maximum in article 4.5 which is paid into a defined contribution account

Age	Entitle-ments	Age	Entitle-ments	Age	Entitle-ments	Age	Entitle-ments	Age	Entitle-ments
16	3,77%	26	7,94%	36	7,88%	46	5,57%	56	2,56%
17	4,01%	27	8,12%	37	7,70%	47	5,31%	57	2,18%
18	4,33%	28	8,25%	38	7,50%	48	5,04%	58	1,79%
19	4,97%	29	8,34%	39	7,29%	49	4,77%	59	1,40%
20	5,60%	30	8,38%	40	7,06%	50	4,50%	60	1,03%
21	6,16%	31	8,38%	41	6,83%	51	4,21%	61	0,68%
22	6,65%	32	8,34%	42	6,58%	52	3,92%	62	0,38%
23	7,07%	33	8,27%	43	6,33%	53	3,60%	63	0,15%
24	7,42%	34	8,16%	44	6,08%	54	3,27%	64	0,02%
25	7,71%	35	8,03%	45	5,82%	55	2,93%	65	

Confirmation of the Board of Directors

Reykjavik, 30 April 2019