

AGREEMENT ON DIVISION OF

RETIREMENT PENSION ENTITLEMENT AND NOTIFICATION TO PENSION FUNDS

Contracting Parties

Name:	Name:
Id. No.:	Id. No.:
Address:	Address:
E-mail address:	E-mail address:
Phone no.:	Phone no.:

Pension fund receiving the Agreement:

DIVISION OF RETIREMENT PENSION ENTITLEMENT

1.1. This Agreement provides for an equal and reciprocal division between us of our respective retirement pension entitlements, which have been or will be earned during our marriage, cohabitation or registered partnership.

1.2. Percentage of division: This Agreement covers XX% of our old age pension entitlement (Note: maximum 50%).

1.3. The division of our retirement pension rights shall be carried out according to the provision in the third paragraph of Article 14 of Act No. 129/1997.

- A. Division of earned entitlement** Period from: _____ Period to: _____
(Note: The division is calculated for entire months and not for days.) The Agreement on the division of entitlement already earned must be accompanied by a health certificate sent to the fund's medical officer, who will assess relevant health factors, cf. the detailed terms and conditions of this Agreement. In signing this Agreement, the contracting parties agree to the processing of sensitive personal data (health information) as defined in the Act on Data Protection and the Processing of Personal Data, No. 90/2018, and described in detail in the terms and conditions of the Agreement.

Required supporting documentation: Health certificate of both parties Marriage history certificate/Marriage certificate*

*A marriage certificate is sufficient if the parties are married and the division covers only the period of marriage.

- B. Division of future entitlement** Period from: _____ (At the earliest, from the date of the effect of the Agreement, which is when it is delivered to the receiving fund; however, the fund has a period of up to three months to begin the division.)

If the parties begin to pay premiums to a new pension fund, they undertake to deliver a copy of the Agreement to the new pension fund so that the fund can effect the division.

The contracting parties confirm that they have acquainted themselves with the terms and conditions of this Agreement in detail, including concerning medical assessment, obtaining information about entitlement, and the forwarding of information to other pension funds, and that they have acquainted themselves with the effects of this Agreement on their retirement pension entitlement.

In confirmation of all of the above, the contracting parties affix their signatures to this Agreement in the presence of two witnesses.

This English translation does not take precedence over the agreement in Icelandic.
Only the Icelandic version is authentic.

Location _____ and date of the Agreement: _____

Name

Name

Witnesses:

Name and Id. No.

Name and Id. No.

FURTHER TERMS AND CONDITIONS OF THE AGREEMENT ON THE DIVISION OF RETIREMENT PENSION ENTITLEMENT

1. DIVISION OF EARNED ENTITLEMENT

- 1.1. Medical assessment:** It is a condition for the division of earned entitlement that disease or the health conditions of the contracting parties does not reduce their life expectancy. This must be confirmed by a medical examination and assessment. The contracting parties must provide a health certificate, completed by their physicians on the form provided by the pension fund, which is sent to the fund's medical officer who will assess relevant health factors. The pension fund will then make a final decision on whether the conditions are met in this respect.
- 1.2. Age requirements:** Neither contracting party may have reached 65 years of age.
- 1.3. The total liability of pension funds remains unchanged:** The total liability of the respective pension funds shall not increase upon the conclusion of this Agreement.
- 1.4. Each party's independent retirement pension entitlement is created upon division:** The person who lives longer continues to be entitled to the retirement pension rights that have been transferred to them and does not re-acquire the retirement pension entitlement that they had shared.

2. DIVISION OF FUTURE ENTITLEMENT

- 2.1. According to the second sentence of Point 3 of the third paragraph of Article 14 of Act No. 129/1997,** when allocating premiums to minimum pension coverage and supplementary pension coverage, the premise shall be that the fund member's premium base has been divided between the member and the spouse just as the premium. **Where part of the premium is allocated to personal pension savings, however, the contracting parties are specifically advised to obtain information on how the division is effected by the respective funds.**
- 2.2. The division of the premium is cancelled** when the statutory contribution obligation of the older person lapses due to age.
- 2.3. In the event of the break-up of a marriage or cohabitation,** the contracting parties must notify the fund which received the Agreement and the funds to which premiums are paid of the break-up, as the Agreement only covers entitlement earned during marriage and/or cohabitation.
- 2.4. Each party's independent retirement pension entitlement is created upon division:** The person who lives longer continues to be entitled to the retirement pension entitlement that was transferred to them and does not re-acquire the retirement pension entitlement that they had shared.

3. FUND MEMBER RECEIVING DISABILITY PENSION

- 3.1. If the contracting party/parties is entitled to extrapolate a disability pension,** the entitlement that this creates to a retirement pension must be divided between them in accordance with this Agreement.

4. NOTIFICATION TO RECEIVING FUND AND NECESSARY FOLLOW-UP

- 4.1. For the Agreement to take effect, the contracting parties undertake to deliver this Agreement to the receiving fund together with the necessary supporting documents for further processing.** Should it turn out that the premises for division of earned entitlement are not satisfied, due to a medical assessment or the ages of the contracting parties, the Agreement will not enter into force regarding entitlement already earned. Division of future entitlement (division of premiums), however, will be effected unless the contracting parties

inform the receiving fund that the Agreement is revoked in its entirety.

- 4.2. **The receiving fund is authorised to obtain information from other pension funds** in Iceland as to whether parties hold entitlement with those funds.
- 4.3. **When all relevant documentation is available, the receiving fund is authorised to send all documentation** related to this Agreement to other pension funds where parties have entitlement. This is necessary, as the Agreement is intended to cover entitlement in all pension funds where the contracting parties have entitlement earned during the period it covers. It is done to enable the implementation of division at the respective funds.
- 4.4. **The receiving fund is not responsible for information on entitlement in other funds** or for having the division carried out by them. **It is therefore important that the contracting parties themselves follow up on execution of the division.**

5. OBLIGATIONS OF PARTIES WHO BEGIN PAYING PREMIUMS TO A NEW PENSION FUND

- 5.1. If this Agreement covers the division of future entitlement (premiums), the contracting parties undertake to deliver a copy of the Agreement to the new pension fund so that the fund can effect the division.
- 5.2. **The receiving fund is furthermore authorised to inform other pension funds in Iceland** of the existence of this Agreement at the request of a pension fund, provided that the relevant pension fund confirms that one of the parties pays premiums to it. In those cases, pension funds that are subsequently involved are authorised to divide premiums on the basis of this Agreement. The contracting parties themselves are responsible for informing new pension funds of the Agreement, cf. Art. 5.1.

6. CONTRACTING PARTIES CONFIRM HAVING ACQUAINTED THEMSELVES WITH THE EFFECTS OF THE AGREEMENT

- 6.1. **The contracting parties are aware that this Agreement only covers retirement pension entitlement** and therefore does not cover other entitlements, such as to disability, spouse's and children's pensions.
- 6.2. The contracting parties confirm with their signatures that they have acquainted themselves with the effects of this Agreement on their retirement pension entitlement and with the content of the legal provisions on which this Agreement is based, in particular, the third paragraph of Art. 14 of the Act on Mandatory Pension Insurance and the Activities of Pension Funds, No. 129/1997.
- 6.3. **The contracting parties furthermore confirm that they have acquainted themselves with the effects of the Agreement** and have obtained relevant information before concluding the Agreement, such as concerning:
 - 6.3.1. **the total entitlement of both contracting parties**, e.g. through the pension portal *Lífeyrisgáttin*;
 - 6.3.2. **the entitlement of both contracting parties to a spouse's pension in each pension fund** and understand that this Agreement does not apply to entitlement to a spouse's pension. In certain entitlement schemes (especially older entitlement schemes) spouse's pensions are paid for life. The division of retirement pension entitlement may therefore create an unequal position between the contracting parties if a substantial lifetime spouse's pension entitlement exists;
 - 6.3.3. **the effects of the Agreement on possible retirement pension payments from the Icelandic Social Insurance Administration**, in particular due to income-linking. The contracting parties must also be aware that changes in the entitlement systems of pension funds and/or the Social Insurance Administration in the future may affect this Agreement and thus the entitlement of the contracting parties;
 - 6.3.4. **their entitlement under the private pension divisions of pension funds**, and are aware that this

Agreement does not normally apply to that entitlement, cf., however, Art. 2.1.

6.4. It is extremely important that the parties have acquainted themselves thoroughly with effects of the Agreement; the decision to conclude an agreement is always the responsibility of the fund members and spouses.

7. TERMINATION OF THE AGREEMENT

7.1. Division of future entitlement: Each contracting party can terminate the Agreement with three months' notice, after which time future division will be suspended. Notice of termination must be made in writing and sent to the receiving pension fund and the funds to which premiums are paid. It is important that the contracting parties themselves follow up on the implementation of the cancellation by each pension fund.

7.2. Division of earned entitlement: It is not possible to revoke the division of entitlement already earned; nor can such be based on the contention that the parties had not acquainted themselves with the effects of the Agreement, cf. Art. 6. However, in the event of unforeseen and extraordinary circumstances that could justify the revocation of the Agreement, **the consent of all pension funds** involved under the Agreement is a condition for such. Revocation must be made in writing, stating the grounds for it, signed by both contracting parties and sent to the receiving fund together with health certificates of both contracting parties, filled out by their physicians. The same requirements are made concerning health situation upon revocation as were made upon division, see Art. 1.1. The receiving fund is then authorised to contact other pension funds where entitlement exists and apply Articles 4.2-4.4, as appropriate. It is important that the contracting parties follow-up on the implementation of termination.

HEALTH CERTIFICATE

in support of an application for division of retirement pension entitlement

Name of applicant	Id. No.
Address	Tel.
Marital status	Married <input type="checkbox"/> Divorced <input type="checkbox"/> Co-habiting <input type="checkbox"/>
Spouse's name	Spouse's Id. No.

Does the applicant receive a disability pension from a pension fund? No Yes

If yes, which pension fund? and when did it begin?

Does the applicant receive a disability pension from the Social Insurance Administration (TR)?
No Yes If yes, when did it begin?

I. Part II: Health information

Note: It is important that the certificate include information about whether the applicant has a history of any life-threatening illnesses and whether the physician issuing the certificate is of the opinion that the applicant's life expectancy could be shortened due to illnesses, accidents, an unhealthy lifestyle and/or other reasons.

1) a) How long have you known the applicant? _____

b) If you did not know the applicant previously, how have you ascertained his/her identity? _____

2) Has the applicant now or previously been diagnosed with any illnesses/severe symptoms from the following body systems? (If the answer is positive, more information is requested on p. 2. Note that information is only requested on those matters that could affect the applicant's life expectancy in the opinion of the physician issuing the certificate.)

a) Nervous system? No Yes

b) Cardiovascular system? No Yes

Blood pressure _____

c) Respiratory system? No Yes

Is there a history of smoking? No Yes If yes, state pack years _____

d) Digestive system? No Yes

e) Kidneys/urinary system? No Yes

f) Genitals/reproductive system? No Yes

g) Endocrine system? No Yes

Height cm _____ Weight kg. _____ Waist circumference cm _____

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h) Severe musculoskeletal disorder(s)

No Yes

.....

i) Serious mental illness(es)

No Yes

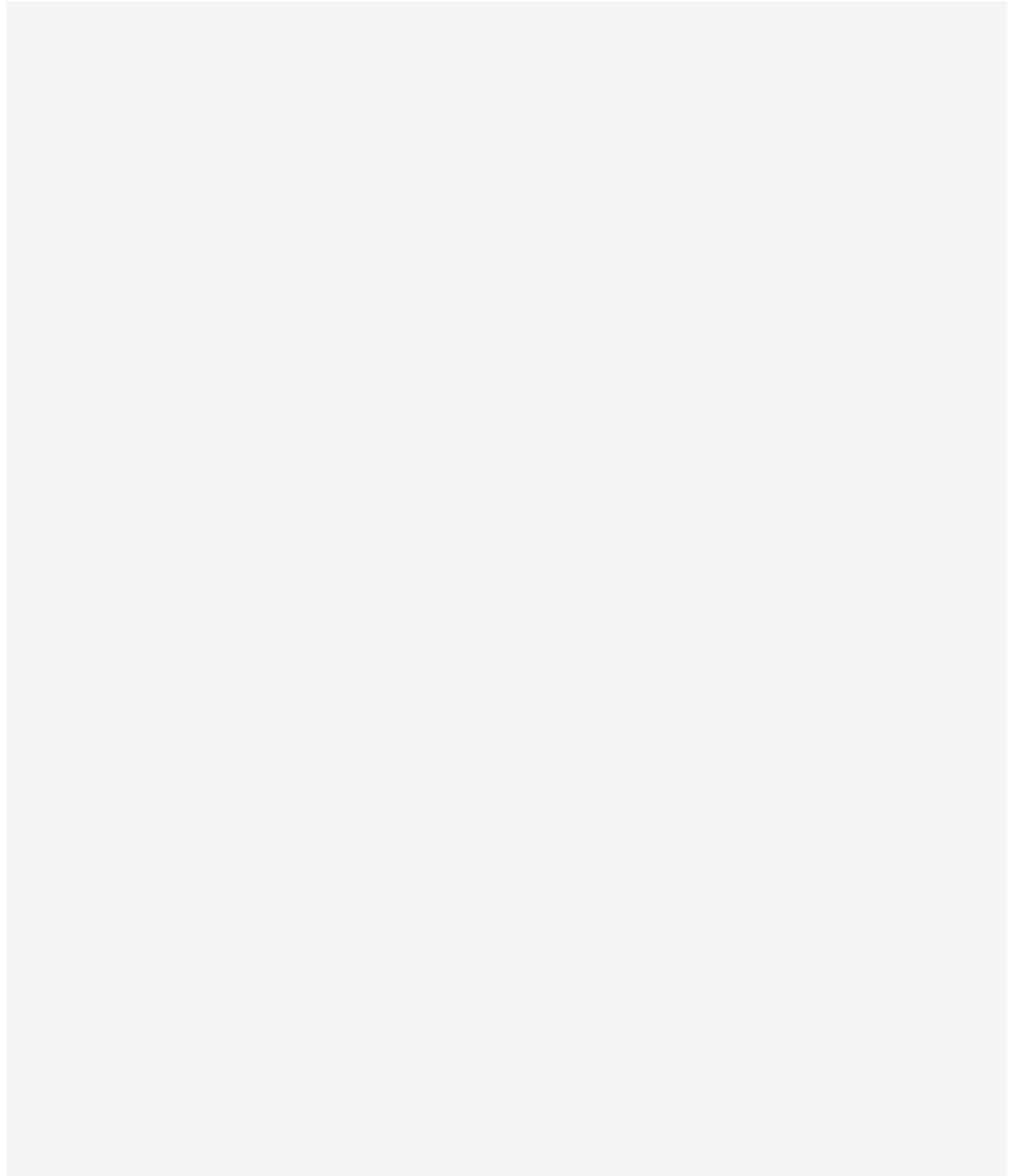
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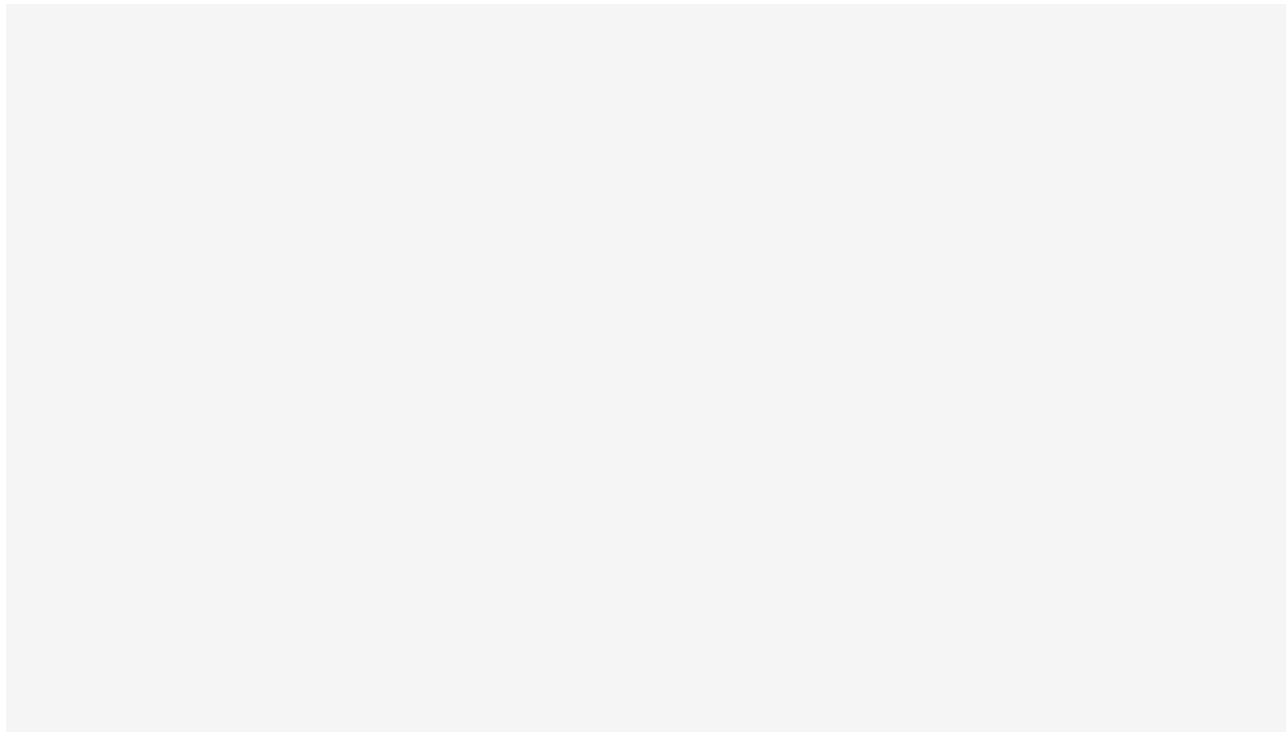
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Detailed answers to questions in points 2.a) to 2.i) above:





3) Does the applicant have a history of other serious illnesses/accidents:

- a) Of the eyes?..... No Yes
- b) Of the ears?..... No Yes
- c) Infectious diseases?..... No Yes
- d) Blood diseases?..... No Yes
- e) Hypertension?..... No Yes
- f) Diabetes? No Yes
 Insulin dependent? If yes, for how long?
- g) A malignant disease?..... No Yes
- h) Rheumatic/autoimmune disease? No Yes
- i) Serious accident?..... No Yes
- j) Alcoholism and/or other addiction?..... No Yes

Detailed answers to questions in points 3.a) to 3.j) above:

II. Part II: Medical examination

1) Medical examination completely normal:

No Yes

If no, please indicate the positive points from the medical examination if relevant for the applicant's life expectancy, in the physician's opinion

Date of examination

2) Do you consider the applicant healthy and fully capable of work?.....

No Yes

If no, give details:

3) Further information:

The undersigned physician hereby confirms that the above information is correct.

Date

Location

Physician's signature:

Workplace/Office:

Tel.

The certificate should be sent to the pension fund, in a sealed envelope addressed to the medical officer or in electronic format. The applicant shall pay the cost of obtaining the certificate.

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