MEUHEDET LONG-TERM CARE INSURANCE

Group long-term care insurance policy for members of Kupat Holim (Sickness Fund) Meuhedet

[LOGO - MEUHEDET LONG-TERM CARE INSURANCE]

[LOGO – THE PHOENIX]

July 2017

Dear Insured,

I greet you for your being a member of the group long-term care insurance policy “Meuhedet Long-Term Care Insurance”.

It is known that the care of a long-term care patient involves difficulties and constitutes a heavy financial burden on the patient and his family. Purchasing a long-term care insurance policy will provide you and your family with peace of mind and security from such situations in the future.

Subject to the directives of the Commissioner of Insurance at the Ministry of Finance, of July 1, 2016, a uniform policy in the sickness funds came into effect. Within the framework of this policy, uniform long-term care insurance compensations were determined, which apply to all sickness funds, in accordance with the age of the enrolling insured. In addition, as of July 1, 2017, the insurance policy has been upgraded in order to benefit the insureds.

Meuhedet Long-Term Care Insurance continues to lead throughout this year too in the scope of approval of the claims of the insureds and shall continue to do everything in its power to provide you with the best service.

Wishing you good health,

Ze’Ev Warmbrand,

CEO of Meuhedet

July 2017

Dear Insured,

We greet you for your being a member of the group long-term care insurance policy of The Phoenix Insurance Company, for the insured insureds of Meuhedet Sickness Fund.

The Phoenix Insurance Company operates in Israel and overseas and offers a variety of insurance and savings products to both its private and business clients.

We consider ourselves responsible to stand by you on the important moments and to realize the coverage which we have undertook under this insurance policy.

Our professionalism and care and the strength of The Phoenix Insurance Company assure that you are in good hands and every minute.

We greet you on choosing the group long-term care insurance policy “Meuhedet Long-Term Care Insurance” and wish you and your family members good health and longevity.

Dafna Shapira, Deputy CEO

Director of Health Field

The Phoenix Insurance Company

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Meuhedet Long-Term Care Insurance

Group long-term care insurance policy for the members of Meuhedet Sickness Fund – disclosure

Subject	Clause	Terms and conditions
General	**Insurance policy holder**	Meuhedet Sickness Fund
	The company	The Phoenix Insurance Company
	The coverages in the insurance policy	Compensation for the long-term care state of the insured at home, or indemnification for the expenses paid to a long-term institution
	Duration of the insurance policy	July 1, 2017 - July 31, 2018 (renewed for an additional period until December 31, 2019, unless the parties notify of its non-renewal and in accordance with the provisions of Section 15 of the insurance policy). Insureds included in the insurance policy ending on June 30, 2017, are sequentially added to the new insurance policy.
	Continuity	Insureds sequentially insured over a period of at least one year immediately prior to the date of seizing the insurance policy, provided that one of the terms and conditions below are met, and provided that the insured have not fully realized his rights under the insurance policy, and as long as the insured does not receive insurance benefits, for one of the reasons listed below: 1. Upon termination of the insurance period, and in the event that the group-policy is not renewed, whether in full or in part, by any insurer, in respect of all or part of the insureds. 2. In the event that the registration of the insured at the Sickness Fund was cancelled under the National Health Insurance Law, and the long-term care insurance of the insured for members of the Sickness Fund was cancelled due to such cancellation of registration and provided that he is not registered in another sickness fund. The said insured shall be entitled to purchase with the company, without underwriting, a private insurance policy for life, such that is provided by the company, and scope of which does not fall from the coverage under the insurance policy. Eligibility will be in full insurance continuity without health declaration and without qualifying periods. **It is possible that the transition to the private continued insurance policy will involve significant raise in the premium per insured.**
	Qualifying period	None.
	Waiting period	60 days.
	Deductible	20% of the long-term insurance benefit for an insured residing in an institute, in accordance with the provisions of Section 7C of the insurance policy.
Change of terms and conditions	**Change of insurance policy terms and conditions throughout the insurance policy**	Yes, in accordance with the provisions of Section 2 of the insurance policy

<table>
<tr><th>Subject</th><th>Clause</th><th colspan="5">Terms and conditions</th></tr>
<tr><td></td><td>period</td><td colspan="5"></td></tr>
<tr><td></td><td>Rate and structure of premium</td><td colspan="5">Monthly insurance policy fees for the period**:</td></tr>
<tr><td></td><td></td><td>Age</td><td>July 2017</td><td>August 2017-July 2018</td><td>August 2018-July 2019</td><td>August 2019-December 2019</td></tr>
<tr><td></td><td></td><td>0-18</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td></td><td></td><td>19-20</td><td>5.98</td><td>7.16</td><td>7.16</td><td>7.16</td></tr>
<tr><td></td><td></td><td>21-25</td><td>12.5</td><td>13.10</td><td>13.10</td><td>13.10</td></tr>
<tr><td></td><td></td><td>26-30</td><td>15.75</td><td>17.64</td><td>17.64</td><td>17.64</td></tr>
<tr><td></td><td></td><td>31-35</td><td>25.53</td><td>34.27</td><td>36.79</td><td>36.99</td></tr>
<tr><td></td><td></td><td>36-40</td><td>47.81</td><td>54.43</td><td>55.44</td><td>55.94</td></tr>
<tr><td></td><td></td><td>41-45</td><td>53.24</td><td>61.18</td><td>61.99</td><td>63.20</td></tr>
<tr><td></td><td></td><td>46-50</td><td>90.18</td><td>98.58</td><td>105.13</td><td>107.85</td></tr>
<tr><td></td><td></td><td>51-55</td><td>96.70</td><td>111.38</td><td>119.95</td><td>127.00</td></tr>
<tr><td></td><td></td><td>56-60</td><td>121.70</td><td>135.07</td><td>143.13</td><td>148.17</td></tr>
<tr><td></td><td></td><td>61-65</td><td>130.39</td><td>145.25</td><td>161.07</td><td>169.64</td></tr>
<tr><td></td><td></td><td>66-70</td><td>154.30</td><td>176.39</td><td>194.64</td><td>203.51</td></tr>
<tr><td></td><td></td><td>71-75</td><td>170.05</td><td>194.03</td><td>215.70</td><td>226.19</td></tr>
<tr><td></td><td></td><td>76-80</td><td>176.03</td><td>201.29</td><td>225.98</td><td>237.47</td></tr>
<tr><td></td><td></td><td>81 and older</td><td>182.01</td><td>207.44</td><td>231.02</td><td>242.31</td></tr>
<tr><td></td><td></td><td colspan="5">The premium varies throughout the period of the insurance policy in accordance with the group age to which the insured is assigned, and it is linked to the customer price index, which was published on June 15, 2017.</td></tr>
</table>

Subject	Clause	Terms and conditions
	Change of insurance policy terms and conditions throughout the insurance policy period	Yes, in accordance with the provisions of Section 2 of the insurance policy
Terms and conditions of the cancellation	**Terms and conditions of the cancellation of insurance policy by the insured or by the company or by the insured**	Suitable for all the insureds in the event of amendment of the regulations, as provided in Sections 2 and 19(F) of the insurance policy. The company is entitled to cancel the insurance policy with regard to a certain insured for the violation of fundamental duty of disclosure in accordance with the provisions of Insurance Contract Law and restrictions thereto in this respect, and in accordance with Sections 5(b) and 15(C) (exhausting the period of the entitlement to long-term care benefit), Section 19(D) (failure to pay premium) or Section 15(C) (failure to disclose fundamental information according to the Insurance Contract Law). The insured is entitled to cancel the insurance policy at any time, by submitting a written notice. The cancellation shall come into effect within 3 days from the date of delivering the cancellation notice to the company in writing.
Exceptions	**Restrictions for the liability of the company**	Section 11 of the insurance policy
	Exception due to existing medical condition	Section 14 of the insurance policy
Disclosure additions to long-term insurance	**Definition of the insurance event**	Poor health and functioning of the insured as a result of illness, accident or a health impairment for which the insured is unable to independently perform an essential part (at least 50% of the action) of at least 3 out of 6 daily activities, which are detailed in the definition of an insurance event, or a "mental exhaustion" (within the definition thereof in the definition of an insurance event) determined by a specialist in the field (Section 3 of to the insurance policy).
	Duration of insurance fees benefit payment	Up to a maximum of 60 months, cumulatively, for the entire insurance period.
	Type of insurance benefits	For an insured residing in a long-term care facility – indemnification. For an insured residing at home – compensation.

<table>
<tr><th>Subject</th><th>Clause</th><th>Terms and conditions</th></tr>
<tr><td></td><td>Amount of insurance</td><td>The amount of monthly insurance benefit to which an insured is entitled, shall be calculated according to the age of the insured at the date of his first enrollment to the long-terms care insurance of the sickness fund (for details of “special” ages, please refer to Section 7B of the insurance policy), according to the place of stay of the insured during the period for which the monthly insurance benefit is paid, as detailed in the table below:</td></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>The insured’s place of stay</th><th colspan="3">The age of first enrollment to the group long-term insurance for members of the sickness funds</th></tr>
<tr><th></th><th>Up to 49</th><th>50 through 59</th><th>60 and more</th></tr>
<tr><td>The monthly insurance benefit for an insured staying at home (compensation)</td><td>NIS 5,500</td><td>NIS 4,500</td><td>NIS 3,500</td></tr>
<tr><td>The monthly insurance benefit for an insured staying in an institute (indemnification)</td><td>NIS 10,000</td><td>NIS 6,500</td><td>NIS 4,500</td></tr>
</table>
The amounts provided in the table below are linked to the customer price index, which was published on June 15, 2016.
</td></tr>
<tr><td></td><td>Exempt from payment of premium</td><td>Throughout the period during which the insured is entitled to long-term benefit, the insured will be exempt from payment of premium.</td></tr>
<tr><td></td><td>The scale of the premium</td><td>As provided above in the section relating to the rate and the structure of the premium.</td></tr>
<tr><td></td><td>The rights of the insured for the increase of the premium</td><td>None.</td></tr>
<tr><td></td><td>Paid-up value</td><td>None.</td></tr>
<tr><td></td><td>Dependency between the insurance amount and the age of the insured.</td><td>Please refer to the “insurance amount” above. Section 7 of the insurance policy.</td></tr>
<tr><td></td><td>Offsetting benefits from other insurances</td><td>No offsetting for any long-term benefit or long-term service provided by the state, including by virtue of the National Insurance Law.
In the event of liability of another third party, and insofar that the indemnification exists, then offsetting shall be in accordance with the provisions of the insurance policy and the Insurance Contract Law.</td></tr>
</table>

It is possible to find the information about the rules for determining the entitlement to receive a long-term care benefit under this insurance policy, the criteria for reviewing the long-term care state and the form of functional evaluation on the website of Meuhedet Long-Term Care, on www.meuhedet.co.il, and on the website of the insurer,

www.fnx.co.il. In addition, it is possible to request the insurer to provide a copy of the guide for the purchaser of a long-term insurance of The Commissioner of Insurance.

The aforesaid is only provided for information purposes, and any contradiction between this document and the terms and conditions of the insurance policy, the terms and conditions of the insurance policy shall prevail.

Annex to the due diligence:

In accordance with the directives of the Commissioner of Insurance in the circular concerning the group long-term care insurance policy for the members of Sickness Funds, here are the prognosis of the premiums for additional insurance periods throughout the years 2020-2032:

Age	Monthly insurance fees for the period*:						
	2020	2021	2022	2023	2024	2025	2026
0-18	-	-	-	-	-	-	-
19-20	7.16	7.16	7.16	7.16	7.16	7.16	7.16
21-25	13.10	13.10	13.10	13.10	13.10	13.10	13.10
26-30	17.64	17.64	17.64	17.64	17.64	17.64	17.64
31-35	36.99	36.99	36.99	36.99	36.99	36.99	36.99
36-40	55.94	55.94	55.94	55.94	55.94	55.94	55.94
41-45	63.20	63.60	64.01	64.41	64.81	65.21	65.62
46-50	107.85	109.67	111.58	113.50	115.41	117.43	119.44
51-55	127.00	130.23	133.55	136.88	140.31	143.84	147.46
56-60	148.17	152.60	157.24	161.98	166.82	171.86	177.00
61-65	169.64	175.79	182.14	188.69	195.54	202.60	209.96
66-70	203.51	209.55	215.70	222.05	228.60	235.36	242.31
71-75	226.19	233.34	240.80	248.46	256.32	264.49	272.85
76-80	237.47	245.34	253.40	261.77	270.43	279.41	288.68
81 and older	242.31	249.87	257.73	265.80	274.16	282.73	291.60

Age	Monthly insurance fees for the period*:					
	2027	2028	2029	2030	2031	2032
0-18	-	-	-	-	-	-
19-20	7.16	7.16	7.16	7.16	7.16	7.16
21-25	13.10	13.10	13.10	13.10	13.10	13.10
26-30	17.64	17.64	17.64	17.64	17.64	17.64
31-35	36.99	36.99	36.99	36.99	36.99	36.99
36-40	55.94	55.94	55.94	55.94	55.94	55.94
41-45	66.02	66.42	66.93	67.43	67.94	68.44
46-50	121.46	123.58	125.69	127.81	130.03	132.24
51-55	151.19	155.02	158.95	162.99	167.12	171.35
56-60	182.34	187.78	193.43	199.27	205.32	211.47
61-65	217.52	225.38	233.54	242.01	250.78	259.85
66-70	249.47	256.83	264.39	272.15	280.11	288.38
71-75	281.52	290.49	299.77	309.34	319.22	329.40
76-80	298.25	308.13	318.31	328.79	339.68	350.87
81 and older	300.77	310.15	319.82	329.80	340.18	350.87

* The premiums are linked to the customer price index, which was published on June 15, 2017.

Meuhedet Long-Term Care Insurance - Group long-term care insurance policy for the members of Meuhedet Sickness Fund

Introduction

Subject to payment of a premium and subject to the terms and conditions, the provisions and the exceptions detailed below, the company shall provide the insured with insurance benefits for an insurance event, which occurred throughout the insurance period, in accordance with the provisions of the insurance policy and the terms and conditions stipulated therein.

Definitions

Policyholder – Meuhedet Sickness Fund (**"Meuhedet"**).

The Previous Insurance Policy – group long-term care insurance policy for the members of Meuhedet, named "Meuhedet Gold", which was in effect until June 30, 2017.

The Insurer / The Company - The Phoenix Insurance Company Ltd.

The Effective Date – July 1, 2017.

The Insurance Policy – a group long-term care insurance policy for the members of the sickness fund, terms and conditions of which, including the exceptions and restrictions of which, are detailed in this document. The proposal form and the insurance policy details shall be considered an integral part of the insurance policy.

First Enrollment – the enrollment of an insured on the long-term care insurance policy of any sickness fund, as of which the insured is sequentially insured, including the continuance maintained in the transition between one sickness fund to another, according to Regulation 12 (in accordance with the provisions of the law, sequence in the transition between one sickness fund to another as provided above, shall be possible as of January 1, 2017, or any other commencement date, as stipulated in the provisions of the law concerning this matter in the future).

Health Insurance Law - National Health Insurance Law, 1994.

Member of Meuhedet – those who are registered and entitled to receive medical services from Meuhedet, under the Health Insurance Law.

Insured – anyone who meets **all** the following terms and conditions (1-2):

1. The Insured is **one** of the following:
   (A) A Member of Meuhedet and/or his children who are registered together with him with Meuhedet, who was/were insured under The Previous Insurance Policy prior to the effective date; and anyone whose registration with Meuhedet was cancelled according to the National Health Insurance Law, and who has not enrolled with another sickness fund (excluding those whose residency was cancelled), after The Effective Date;
   (B) A Member of Meuhedet and/or his children who are registered together with him with Meuhedet, who was/were insured under The Previous Insurance Policy prior to the effective date; and anyone whose registration with Meuhedet was cancelled according to the National Health Insurance Law, and who has not enrolled with another sickness fund, and who has requested The Company to enroll the insurance, under a procedure which includes reexamination of prior medical condition, and who The Company agreed to enroll (**"Request to Enroll"**);
      (B)(1) Notwithstanding the provisions of subsection (B) above, a Member of Meuhedet that is an **entitled insured** shall be entitled to enroll without examination of a previous medical condition no later than December 31, 2017, or within 120 days from the end of the insurance period in **the last entitling policy** under which he was insured, the later of them.

(B)(2) Notwithstanding the provisions of subsection (B) above, a Member of Meuhedet that is **transferring insured** shall be entitled to enroll while maintaining insurance continuity, and without reexamination of his medical condition, unless an insurance event applies thereto, and subject to the provisions of Section 13 of the insurance policy.

(B)(3) Notwithstanding the provisions of subsection (B) above, a Member of a sickness fund, in respect of which the insurance policy or The Previous Insurance Policy was cancelled due to cancellation of his registration in the sickness fund under the Health Insurance Law, that applies on July 1, 2016, which is not due to his transfer from one sickness fund to another, shall be entitled to enroll on the long-term care insurance for the member of the sickness fund within 120 days from The Effective Date, without reexamination of his prior medical condition, and provided that no insurance event applies thereto on the date of his Request to Enroll the insurance policy.

(B)(3)(1) The enrollment to the said policy of an insured whose registration in a sickness fund was according to the Health Insurance Law due to his ceasing to be a resident pursuant to the definitions of the aforesaid law, shall not be accepted.

(C) In the event that a Member of Meuhedet provides The Company with an insurance proposal and the Company was paid monies on account of the insurance fees in respect of the relevant insurance coverage, before The Company announced its consent to the insurance (if and to the extent that it announced or was due to announce as aforesaid under the underwriting rules for the insurance policy), the following provisions shall apply:

(C)(1) The Company shall send to a Member of Meuhedet who is a candidate for insurance, within 90 days from the date of first receipt of the insurance fees or 90 days from the date of the Request to Enroll, whichever is the earlier, a notice of rejection according to which the insured is not accepted to the insurance and that he does not have an effective insurance coverage (**"Notice of Rejection"**), or it shall provide it with a counter proposal (**"Counter Proposal"**), or shall request him to provide supplement details (**"Supplement Details Request"**) (Herein: **"The Response Date"**, respectively).

(C)(2) In the event that The Company failed to send to a Member of Meuhedet who is a candidate for insurance, until The Response Date, a Notice of Rejection or a Supplement Details Request or a Counter Proposal, then the candidate for insurance shall be considered to be enrolled under regular terms and conditions in accordance with the provisions in the insurance proposal, the insurance details sheet and in the terms and conditions of this insurance policy. The date of commencement of the insurance and the effective date for payment of the premiums in this case shall be the date set as the commencement date of the insurance as provided in the Request to Enroll provided to The Company, provided that this date shall precede the date of the Request to Enroll.

(C)(3) In the event that The Company sent to a Member of Meuhedet that is a candidate for insurance a Supplement Details Request or a Counter Proposal until the end of The Response Date, and the candidate for insurance provided The Company the details requested within the Supplement Details Request or his response to The Counter Proposal, The Company shall send the candidate for insurance, within additional 90 days from the sending of such request, a decision of the acceptance of the candidate for insurance or a decision of rejection of the proposal. In the event that The Company failed to send the candidate a notice of his acceptance or rejection within the said period, the candidate for insurance shall be considered to have been enrolled the insurance under the terms and conditions in accordance with the stipulations in the Request for Enrollment, the insurance details sheet and the terms and conditions of this insurance policy. The date of commencement of the insurance and the effective date for payment of the premiums in this case shall

be the date provided in the Request for Enrollment provided to The Company, provided that the said date does not precede the date of the Request for Enrollment.

(C)(4) In the event that an insurance event occurred after The Company was paid monies on the account of the insurance fees for the relevant insurance coverage, and prior to The Company's announcement of its consent for the insurance as provided in this section above, then the Member of Meuhedet shall be entitled to insurance benefits, provided that according to the underwriting rules practiced in The Company in respect of the insurance policy at the time, the terms and conditions of the insurance policy and the relevant coverage, the Member of Meuhedet had been entitled to be accepted for the relevant insurance coverage, had the insurance event not occurred.

The Insurer has the right to ensure that no amendment was made in the terms and the responses declared by the candidate for insurance within the framework od the Request for Enrollment, including the accompanying declaration of health, at the time of the enrolment to the insurance and before The Insurer has announces the insured of his acceptance for insurance coverage.

For the purpose of this section - **"Amendment"** – amendment in the health, physical state, the professions and the business of the candidate for insurance coverage that would have affected the consent or the terms and conditions for the consent of The Insurer to the Request for Enrollment had it known about them.

2. If The Insurer was paid insurance fees or if The Insurer was provided means for payment for collecting the insurance fees.

Entitled insured – an insured in respect of which **all** the following terms are met:

(1) He was insured under an entitling insurance policy on the date of the end of the insurance period, and he is not insured under the long-term care insurance policy for the members of the sickness fund on the date of submitting the Request for Enrollment in accordance with sub-section (B)(1) of the definition of insured;
(2) He turned 60 and more on July 1, 2016, or on the date of the end of termination of the insurance of the entitling insurance policy by which he was covered, whichever is the later;
(3) No insurance event applies thereto on the date of submission of the Request for Enrollment;
(4) He does not receive insurance benefits by virtue of the last entitling insurance policy by which he was covered.

Transferring insured – an insured covered by long-term care insurance for the members of the sickness fund, who – prior to the transfer to another sickness fund, was insured by the long-term care insurance for the members of the sickness fund.

The Index – the customer price index (including fruits and vegetables), set by the Central Bureau of Statistics, including any other official index that may replace it, even if it is published by any other governmental institute that may replace it.

Institution - a nursing department or a department of exhausted patients at a nursing home, a hospital or any other institution, main activity of which is hospitalization of long-term care patients, and which were approved to be a nursing institution by the Ministry of Health, according to the Public Health Ordinance, or by the Ministry of Social Affairs and Social Services, or any other institution approved by The Insurer;

Last Entitling Policy – an insurance policy for a nursing insurance, including a health insurance policy that includes coverage for nursing insurance, prepared for a group of insureds under a single insurance policy, **excluding an insurance policy that meets one of the following:**

(1) **The insurance policy is a policy prepared by the sickness fund for its members;**
(2) **A group policy marketing or renewal of which was approved in advance and in writing by the Commissioner after July 1, 2016;**

1. **Supervision Regulations –** this insurance policy is subject to the Supervisions Regulations of Financial Services (Insurance) (Group Long-term Care Insurance for Members of the Sickness Funds), 2015 (in this insurance policy **"The Regulations"**).
2. **Amendment of the terms and conditions of the insurance policy** – in the event that The Regulations are amended throughout the period of the insurance policy, the terms and conditions of the insurance policy shall be amended accordingly, and The Insurer shall be entitled to amend the insurance fees, in accordance with the agreement between the sickness fund members of which are insured under the said insurance policy and The Insurer, or to cancel the insurance policy, all in accordance with the approval of the Commissioner of Insurance. Without derogating from the aforesaid, The Insurer shall be entitled to amend the terms and conditions of the insurance policy and/or the insurance fees, subject to a notice of 60 days to the insureds, subject to the approval of the Commissioner.
3. **The Insurance Event** – the insurance event is the occurrence of one or more of the following cases:
   (A) Mental exhaustion which was determined by an expert physician in the field;
   In this respect: **"mental exhaustion"** – damage to the cognitive activity of the insured and a decrease in his intellectual abilities, which includes impaired understanding and judgement, decrease is the long-term or short-term memory and disorientation in time and place that require supervision during most hours of the day, according to decision of an expert physician in the field, cause of which is a health condition such as Alzheimer's disease or various forms of dementia.
   (B) Decreased health and functioning status of the insured as a result of a disease, an accident or a health impairment, due to which the insured is uncapable of independently performing an essential part (50%) of the activity, of at least **3** of the following activities:
      1. **Get up or lie down** – the independent ability of an insured to move from lying to sitting state, and getting up from a chair, including a wheelchair or a bed;
      2. **Getting dressed and undressed** - the independent ability of an insured to wear any garment of any kind, or removing them, including wearing or assembling a medical belt or an artificial limb;
      3. **Bathing** - the independent ability of an insured to take a bath in a bathtub, to take a shower in the shower or any other acceptable way, including entering into the bath or the shower and existing it;
      4. **Eating and drinking** - the independent ability of an insured to feed himself in any way and by any mean, excluding eating by means of a drinking straw, including drinking by means of a drinking straw, after the food has been prepared for him and served to him;
      5. **Fecal incontinence** – the independent ability of an insured to control the activity of his intestines or urine; inability to control any of these activities which means, for example – permanently using a stoma, a catheter for the bladder, using diapers or other types of absorbents, shall be considered fecal incontinence;
      6. **Mobility** - the independent ability of an insured to move from one place to another without the assistance of others; **using crutches, a stick, a walker, or any other accessory, including a mechanical, motor or electronic accessory that allows the insured to move independently, shall not be considered damage in the independent ability of the insured to move.**
         It shall be stressed that the inability of an insured to move without a wheelchair shall not be considered his inability to move independently; however, in the event that an insured is not able to move without a wheelchair but is able to independently move from one place to another throughout the insurance period ended on July 1, 2017, and throughout the present insurance period his independent ability changed in such way that he cannot move independently using a wheelchair, he shall be considered an insured who cannot move independently as of the date on which his personal ability changed as provided above.

4. **Calculation of the age of the insured for the insurance fees** – the age of the insured for the purpose of determining the insurance fees, and for the purpose of determining the age of the first joining, shall be calculated according to the number of full years passed from the birth of the insured.
5. **Entitlement to insurance benefits**
   (A) An insured is entitled to receive insurance benefit as long as the terms and conditions provided in Section 3 are met, and subject to the terms and conditions of the insurance policy.
   (B) Notwithstanding the provisions of sub-section (A), an insured shall be entitled to receive insurance benefits throughout 60 months as of the end of the waiting period, as detailed in Section 6, by virtue of the insurance policy during which the insurance event occurred, and subject to Section 14 of the insurance policy, minus the periods during which he received insurance benefits by virtue of the long-term care insurance policy for member of the sickness fund.
6. **The waiting period**
   An insurer shall pay the insured insurance benefits to which he is entitled in accordance with the terms and conditions of the policy as of the date on which the waiting period ends; No more than one waiting period shall be counted unless more than 12 months have passed since the date on which an insurance event has ceased to exist;
   For the purpose of this section: **"waiting period"** – the period as of the date on which the insurance event occurred, and which ends 60 days thereafter, and provided that throughout the entire period the insured has an insured event.
7. **The amount of insurance benefits**
   (A) The monthly insurance benefits to which the insured is entitled, shall be calculated according to the age of the insured at the date of his first enrollment the long-term care for members of the sickness fund, according to the place of residence of the insured throughout the period for which the monthly insurance benefit is paid to him, as specified in the table below:

The place of residence of the insured	**The age of first enrollment of the insured to the group long-term care insurance policy for members of the sickness fund**		
	Up to 49	**50 through 59**	**60 and older**
Monthly insurance benefit for an insured residing at home (compensation)	NIS 5,500	NIS 4,500	NIS 3,500
Monthly insurance benefit for an insured residing in an institute (indemnification)	NIS 10,000	NIS 6,500	NIS 4,500

(B) Notwithstanding the provisions of sub-section (A) concerning types of existing insureds (those insureds insured under the long-term care insurance policy on June 30, 2016) detailed below, instead of the age of first enrollment to the long-term care insurance policy for members of the sickness fund, the provisions of regulation (A) shall be name **the age** stated adjacent thereto:

			The age of first enrollment to the group long-term insurance for members of the sickness fund
1.	An insured under a group long-term insurance for members of Clalit sickness fund "long-term supplementary insurance plus", who joined the insurance policy at the age of 60 through 64;		59
2.	An insured under a group long-term insurance for members of Maccabi sickness fund -		
	A.	If he joined the "long-term care gold" program aged 50	49
	B.	If he joined the "long-term care silver" program aged 60	59
3.	An insured under a long-term insurance for members of Meuhedet sickness fund, who joined the "Meuhedet Gold" program aged 50 to 60;		49
4.	An insured under the general long-term insurance for members of Leumit sickness fund, who joined the "Leumit Long-term Care" program aged 60 to 64;		59

(C) Notwithstanding the provisions of sub-section (A), the amount of monthly benefit that shall be paid to an insured residing at an institution on the date of the entitlement of the monthly insurance benefit, shall not exceed the 80% rate of the amount that the insured paid to the institution in practice.

8. Linkage to the Index

(A) The amounts of monthly insurance benefits detailed in Section 7 shall be added linkage differentials, within the definition of the term in the Interest Rate Law, from the Index known on June 15, 2016.

(B) The amounts of monthly insurance fees shall be added linkage differentials, within the definition of the term in the Interest Rate Law, from the Index known on the date of commencement of the insurance policy.

9. Release from payment of insurance fees – an insured that is entitled to receive insurance benefits according to the terms and conditions of the insurance policy, shall be released from payment of insurance fees for the period for which he was entitled to receive insurance benefits.

10. Set-off and repayment rates and fund of the insureds

(A) No surpluses shall be accumulated in favor of the insured for the purpose of receiving set-off and repayment rates.

(B) Notwithstanding the provisions of Section (A), the insurance fees paid for all the insureds according to group long-terms insurance for the members of a certain sickness fund, shall be used for covering the long-term undertakings for such insureds, with deduction and additions as instructed by the Commissioner.

11. **Exceptions for coverage – this insurance policy does not include coverage in the following cases:**
    1. **An insurance event that has occurred due to the service of the insured in a security or police organization, or due to an active participation in a military, policy, war, hostile activity;**

2. **An insurance event that has occurred due to nuclear fission, nuclear fusion or radioactive contamination;**
3. **An insurance event that has occurred due to drug abuse or drug addiction, excluding if such use of drugs was instructed by a physician, other than for the purposes of rehab;**
4. **An insurance event that has occurred due to a previous medical condition, subject to the provisions of the Supervision Regulations on Insurance Business (Conditions in Insurance Agreements) (Provisions Regarding Prior Medical Condition), 2004; For the purposes of this paragraph, an entitled insured shall be deemed to be an insured by an agreement that was exchanged with the same or with another insurer, as specified in regulation 6 (a) (2) of the said regulations;**
5. **An insurance event that has occurred for the first time priot to the commencement of the insurance period or after the end of an insurance period, subject to the provisions of section 14 below;**
6. **An insurance event that has occurred for the first time in the first 36 months of the life of the insured;**
7. **An insurance event that has occurred as a result of a road accident, within the definition of this term in the Law of Compensation to Victims of Accidents, 1975, or a work accident, within the definition of the term in the National Insurance Law [Consolidated Version], 1995, which was recognized by the National Insurance Institute.**

12. Right of continuity for an individual insurance policy

(A) An insured in regard of which the terms and conditions provided in sub-section (B) are met, shall be entitled to be transferred to individual insurance policy for long-term insurance policy for lifetime insurance (Herein: **"Continuing Policy"**), according to the dates detailed in sub-section (C), terms and conditions of which are as follows:

1. The amount of insurance and the period of payment of insurance benefits in the Continuing Policy shall not be less that the amount determined for the insured in the insurance policy for long-term insurance for members of the sickness fund unless the insured requested so; however, in the event that at the date of the transfer to the Continuing Policy, coverage is granted by the health services basket that is similar to the coverage provided in the insurance policy, then the insurer shall not be obliged to include the said coverage in the Continuing Policy;
   In this respect: **"Health Services Basket"** – within the definition of the terms in the second addition to the Health Insurance Law and the Order according to Section 8(G) of the said law;
2. The insurance fees in the Continuing Policy shall not be higher than the insurance fees practiced on the date of the transfer for newly joined insureds to a similar individual policy of the insurer;
3. In the transition to the Continuing Policy, insurance continuity shall be provided without re-examination of the prior medical condition, and without qualifying period.

(B) The entitlement to be transferred to the Continuing Policy, as provided in sub-section (A) shall be granted to anyone who was continuously insured under the insurance policy throughout a period of at least one year immediately prior to the date of seizing the insurance policy, and given that one of the following terms and conditions are met, and provided that the insured failed to realize his full rights under the insurance policy:

(1) The long-term insurance for the members of the sickness fund was seized due to failure to renew the insurance policy for a part or all the insureds, whether with The Insurer or with another insurer;

(2) The registration of the insured with the sickness fund under the National Health Insurance Law was cancelled, and the long-term care insurance for the members of the sickness fund was cancelled in his respect due to cancellation of his registration as provided above, and he was not registered with another sickness fund.

(3) An insured in respect of which this insurance was seized or is not renewed as provided in sub-section (B), may be able to be transferred to the Continuing Policy within 60 days from the date on which he was notified accordingly by The Insurer.
(4) The commencement of the insurance period in the Continuing Policy shall be calculated as of the seizing of this insurance policy, retroactively.
(5) Notwithstanding the provisions of sub-section (C), in respect of an insured who – at the date that the long-term care insurance for members of the sickness fund – insurance was seized or not renewed, was entitled to insurance benefits according to the terms and conditions of the insurance policy – the request of The Insurer to the insured as provided in the said sub-section shall be within 30 days from the date on which the entitlement of the insured for insurance benefits was seized; in such request, The Insurer shall propose the insured to be transferred to the Continuing Policy, within 60 days from the date of the notice of The Insurer. Such proposal shall be made only in the event that the said insured has not yet realized all his rights to receive insurance benefits according to the long-term care insurance for the members of the sickness fund.

13. Transition of insureds between insurance programs, due to transition between sickness funds (regulation 12 to The Regulations)

(A) An insurer that provides long-term care insurance for the members of the sickness fund shall enroll to the long-term care insurance of the sickness fund an insured who - according to information received from the other sickness fund – appear to be a "transferred insured", or who is transferred by a request of the transferred insured within 90 days from the date of the transfer;
(B) For the purposes of this section: **"The Previous Fund"** – a sickness fund in which the transferred insured was registered prior to the transfer to another sickness fund; **"The Intaking Fund"** – the sickness fund with which the transferred insured registers after bring transferred from another fund. The following terms shall apply as of January 1, 2018:
"Basic Insurance Confirmation" – an approval of the insurer of The Previous Fund that the insured if a transferred insured.
"Extended Insurance Confirmation" – an approval that includes the information below in respect of the said insured:
(1) A Basic Insurance Confirmation;
(2) First and last name;
(3) The age of enrolling to the insurance policy, in accordance with Section 7;
(4) Exceptions of the insurance coverage, if any;
(5) Stating whether the insured is an entitled insured;
(6) The commencement and termination dates on which the insured was insured by The Previous Fund;
(7) The scope of the monthly insurance benefits received by the insured, if any.
(C) In the event that an insured was enrolled as provided in sub-section (A), then The Insurer is entitled to require the insured an approval of his long-term care insurance coverage prior to the transfer (as of January 1, 2018 – The Insurer is entitled to require the insured a Basic Insurance Confirmation); in the event that the insured failed to provide such confirmation within 180 days (as of January 1, 2018 – within 90 days), from the date of the sending of such request, then the insurance shall be cancelled as of the date of enrollment with The Intaking Fund, provided that the insured was sent a warning note within 30 days from the date of the requirement and another warning note within 60 days from the said date.
(D) The insurer of The Intaking Fund shall notify the insured of his enrollment to the insurance, and of his possibility to cancel is enrollment within 90 days from the date of receipt of the said notice, while noting the manner in which the insurer is entitled to notify the insured of such cancellation.
(E) In the event that an insured notified of his will to cancel his enrollment to the insurance as provided in sub-section (D), the insurance shall be canceled in respect of the insured as of

the date of his enrollment to the long-term care insurance of The Intaking Fund and the insurance fees that he was charged will be reimbursed as of the date of his enrollment to the long-term care insurance and through the said cancellation date, provided that no suit was filed within the said period for the realization of the rights to receive insurance benefits under the insurance policy for an insurance event that has occurred throughout the said period.

(F) The commencement of the insurance period of the insurance with The Intaking Fund shall be as of the date of seizing the insurance with The Previous fund, and the insured shall be liable to pay the insurance fees as of the said date.

(G) The insurance benefit to which the insured shall be entitled shall be calculated according to the age of the insured as the date of first enrollment.

(H) An insured in respect of which an insurance event occurs prior to his departure from The Previous Fund shall be entitled to enroll the long-term care insurance of The Intaking Fund, while maintaining insurance continuity without reexamination of his medical condition, within 90 days from the date on which the insurance event ceased to exist, provided that the said insured has not yet exercised his full rights to receive insurance benefits under the insurance policy; the period of the insurance benefits to which the insured shall be entitled under the long-term care insurance policy for members of the sickness fund of The Intaking Fund, shall be deducted the periods in which he received insurance benefits by virtue of the long-term care insurance policy for the members of the sickness fund.

(I) An insurer who provided long-term care insurance policy in The Previous Fund shall address a transferred insured and shall notify him of his entitlement to enroll the long-term care insurance policy of The Intaking Fund, according to the terms and conditions of this regulation within 14 days (as of January 1, 2018 - within 5 days) from the date on which the insurer received the details of the insured from The Previous Fund, or from the date of receipt of the notice by the insured of his leaving the fund, whichever is earlier; the notice of the insurer shall further include and approval of the long-term care insurance coverage provided to the insured by The Previous Fund, and information regarding the entitlement of the insured to request The Previous Fund in order to receive the information details required for the purpose of determining his rights in The Intaking Fund (as of January 1, 2018 – the notice of the insurer shall further include the approval of the extended insurance of the said insured).

(J) An insurer who provides long-term care insurance in The Intaking Fund shall address a transferred insured and provide him insurance information, within the definition of the term in Regulation 6 of the Regulations of Supervision of Financial Services (Insurance) (Group Health Insurance), 2009, within 30 day (as of January 1, 2018 – within 14 days), from the date of his enrollment to the insurance or from the date of which the insurer received the approval as required in sub-section (c) (as of January 1, 2018 – from the date that the insurer received the approval of extended insurance); the Commissioner shall provide instructions of the content of the notice to be sent to such insured, including the dates for its delivery (as of January 1, 2018 – in the event that the required information is not included in the extended approval, then the insurer shall provide the insured insurance information based on the information that the insurer possesses regarding the insured, and shall specify to the insured that he has the right to transfer the remaining information).

14. Insurers' liability (in respect of transferred insured) (regulation 13 of the Regulations)

(A) Insurer through an insurance period of long-term case insurance for members of The Previous Fund shall bear the insurance benefits payment of a transferred insured, provided that the following terms and conditions are met:

(1) The insured experienced an insurance event throughout the previous insurance period, which entitles to payment of insurance benefits;

(2) The insured filed another claim for the receipt of insurance benefits within a period that does not exceed 12 months from the date on which the insured ceased to be in the entitling state as provided in sub-section (1).

(B) In the event that previous insurer paid the insurance benefits as provided in sub-section (A):

(1) The previous insurer shall be entitled to deduct form the insurance benefits paid thereby the insurance fees for the period through which no insurance fees shall be paid to such insurer;

(2) The new insurer shall reimburse the insured the insurance fees paid for the period until the occurrence of the insurance event as provided in the said sub-section.

15. The insurance period

(A) The insurance period shall commence as of the effective date and through July 31, 2018 at midnight. After the termination of the said insurance period the insurance policy shall automatically be renewed for an additional insurance period until December 31, 2019 at midnight (Herein: **"The Additional Period"**), subject to the possibility to change the insurance fees in accordance with the agreement between Meuhedet and the insurer, and subject to the approval of the Commissions, unless the policyholder or the insurer notify one another of non-renewal of the policy by an advance notice of 60 days, prior to the commencement of The Additional Period.

(B) The Company shall be liable to provide the insurance coverage only in respect of the insurance events that occurred until the termination of the insurance period, and for which claim was filed prior to the termination of the limitation period as provided in Section 16 below.

(C) The insurance period is subject to the right of the insured to cancel the policy by law and the right of The Company to cancel the insurance in respect of a specific insured due to violation of the fundamental duty of disclosure in accordance with the provisions of the Insurance Contract Law and the restrictions in this matter, in the event on failure to pay premium (Section 19 below), or in the event of termination of insurance upon exhausting the amount of the insurance benefits in accordance with Section 5(B) above.

16. Obsolescence

Obsolescence of a claim for payment of insurance benefits shall be upon termination of 3 years from the occurrence of an insurance event, in accordance with Section 31 of the Insurance Contract Law, or an amendment to a section of the said law or any other legislative provision which shall substitute it in this regard.

17. Filing a claim for receipt of insurance benefits

(A) The insured or representative thereof shall notify The Company of the occurrence of an insurance event as closely as possible to the occurrence of the event.

(B) The duty and the right to file a claim and the basing of the claim applies to the insured or representative thereof, and only them. It is hereby stressed that the policyholder is not entitled to file and shall not file a claim to the insurance company by virtue of this insurance policy, whether independently or in the name of the insured.

(C) The insured or his representative shall provide The Company all the documents attesting the occurrence of the insurance event, and which are intended to assist in the clarifying of its liability under this insurance policy. The Insurer or its representative shall execute a confidentiality disclaimer toward The Company for the purpose of clarifying the liability against a third party. The Company shall be entitled to run at its expense and in a reasonable manner and within a reasonable time frame any medical or other examination or an investigation for the purpose of clarifying its liability under the insurance policy, and to require the insured to attend a medical examination by a physician on its behalf, or another medical service provider on its behalf, at its exclusive discretion, and provided that such examination is considered reasonable under the circumstances and is conducted at the expense of The Insurer **(it shall be stressed that the insured would be entitled, at any time, to exhaust the right he is entitled to under the insurance policy in court)**. These obligations apply to the insured both prior to approval of the claim and throughout the period during which he is entitled to receive insurance benefits).

(D) Functional evaluation to the insured shall be conducted by The Company subsequently to collaboration with the insured or his representative.

(E) **Insurance benefit in the form of indemnification (for an insured residing in an institute)**

(1) The indemnification shall be paid against presenting original receipts proving the existence of the expenses relating to the long-term care benefit, if any, or alternatively – against presenting an original invoice from the provider of the long-term case service.

(2) Notwithstanding the aforesaid, the insured will be able to submit a copy of the receipt or the invoice and shall provide an approval from the organ to which the original document was submitted, if any, concerning the amount claimed from the other organ.

In such case, The Company shall indemnify the insured in accordance with the provisions of the insurance policy, and provided that the total amount of indemnification paid to the insured does not exceed his expenses in practice.

(3) The indemnification shall be paid solely to one of the following:

(A) In the event that the expenses in practice were expended prior to the date of the indemnification, the indemnification shall be paid to the insured or his legal representative.

(B) In the event that the expenses included in the indemnification are not yet expended on the date of payment of the indemnification, The Company shall be entitled to pay the indemnification directly to the provider of the long-term care service that is entitled to receive the expenses for the long-term care services, provided that such service provider is a long-term case institution.

(C) The indemnification payment shall be paid by the 15th day of every month, for the previous month, subject to approval of receipt of the tax receipts or invoices relating to the indemnification by The Company, subject to the provisions of Section 17(G)(1) below.

(F) <u>Insurance benefits in the form of compensation (for an insured residing at home)</u>

The insurance benefits in the form of compensation under the insurance policy, shall be provided in addition to and independently of any other long-term care benefit or in respect of nursing care provided or given to the insured by the State in respect of an insurance event, including by virtue of the National Insurance Law [Consolidated Version], 1995.

(G) <u>Claims – general provisions</u>

(1) An Insured who is entitled to receive insurance benefits shall be entitled to receive the insurance benefit from The Company within 30 days from the date on which The Company had the information and the documents required to clarify its liability.

(2) In any case of the entitlement of the insured to insurance benefits for a part of a month, the amount of the insurance benefits shall be for the relative share, equaling proportional share to that part of the month).

(3) It shall not be possible to accrue entitlement to insurance benefits in the form of indemnification under the insurance policy, which were not utilized in a specific month by the insured to the full amount of the monthly insurance benefits, for the purpose of increasing the amount of the monthly insurance benefits in respect of the insured in another month. The provisions of this section shall further apply to parts of the month, with the necessary changes.

(4) The entitlement of the insured to receive insurance benefits shall cease on the date on which the insurance event ceased to exist or at the end of the period of entitlement to insurance benefits or upon the death of the insured, whichever is earlier.

(5) In the event of an improvement in the condition of the insured and/or his exit from his condition that arises from the insurance event, the insured or his representative are required to notify The Company immediately.

The Insurer shall examine the entitlement of the insured in accordance with his notice, and provided that such examination shall be reasonable under the circumstances of the case and at the expense of The Insurer, and subject to the provisions of the Commissioner's circular on the issue of clarification and settlement of claims and handling of public inquiries and the issue of re-examination of entitlement, and shall be amended in accordance with the amendment to be applied to the Commissioner's circulars or any other regulatory provision in this regard. (**It should be clarified that the insured shall be entitled at any time seek to exhaust his rights granted to him by virtue of the insurance policy in court).**

(6) A notice of reexamination of eligibility and the manner in which it will be performed shall be submitted in the framework of the letter approving eligibility.

(7) In the event that a renewed eligibility examination was conducted, as stated in the letter approving eligibility and a decision was made to terminate or reduce the entitlement, then the claimant shall send a reasoned letter, including the reasons for the termination or reduction of entitlement in accordance with the provisions of the insurance policy and/or the relevant legal provisions. A notice of amendment shall be sent at least 30 days prior to the date of termination or reduction of payments.

(8) In the event that for the purpose of termination or reduction of entitlement the insured was supported by an expert opinion, then such expert opinion shall be enclosed to the notice of amendment.

(9) The insured has the right to require reimbursement of the amount for surplus payments made prior to termination or reduction of the payments.

(10) In the event of the death of the insured, and to the extent that no beneficiary has been specified, The Company shall pay to the estate of the insured the balance of the nursing benefit that was meant to be paid to the insured during the period in which he was entitled to receive it and which was not paid to him or for him prior to the date of death.

(11) In the event that The Insurer has decided to reject the claim, in whole or in part, then it shall provide the claimant with a written notice (Herein: **"Notice of Rejection"**). The reasons for the rejection shall further include the terms and conditions of the insurance policy or the by-laws, the conditions or restrictions set at the date of enrollment or on the date of renewal of the insurance coverage, or the provisions of the law on the grounds of which the claim is rejected, insofar as the rejection is based on them.

(12) The Notice of Rejection shall further include a section that directs the insured's attention to his right to file an appeal to the Appeals Committee within 60 days from the date on which the notice was delivered to him.

(13) The Insured shall be entitled to submit to the Appeals Committee documents and medical opinions as he deems just or as requested by the committee. In addition, the committee shall allow the insured and/or his representative to appear before it. The decision of the appeals committee does not affect the rights of the insured to apply to the courts for the purpose of clarifying his eligibility according to the insurance policy. For the purposes of this section, the **"Appeals Committee"** means a committee composed of two representatives of Meuhedet and two representatives of The Company, whose manner of operation is regulated by agreement between Meuhedet and The Company.

18. **Cancellation of insurance by the insured** - the insured is entitled to cancel the insurance according to this policy at any time by a written instruction. The cancellation shall take effect within 3 days from the delivery of a written cancellation notice to The Company.
19. **The premium and the method of payment thereof**
    (A) The premium for each insured is as detailed in the table of premiums detailed in the disclosure enclosed to this insurance policy, and it varies during the insurance period in accordance with the age group to which the insured belongs.
    (B) The insured shall pay the premium once a month.
    (C) The payment of the premium to The Company shall be performed collectively by the policyholder for all the insured.
    (D) In the event that the policyholder was not paid the premium or any part thereof in time, and it remained unpaid within 15 days after the insured was required in writing to pay it, The Company – by means of the policyholder – shall be entitled to notify the insured in writing that the policy shall be cancelled within 21 additional days if the outstanding amount, in addition to linkage differentials and interest by law, remains unpaid.

(E) In any case of a delay in payment of the premium amount, the insured shall pay indexation and interest by law, without derogating from the right of The Company to cancel the insurance policy by law.

(F) In addition, and without derogating from the aforesaid, The Company is entitled to amend, subject to the consent of the policyholder, the premium for this insurance policy, beyond any increase in the index, in accordance with the provisions of Section 2 above.
If the increase of the premium is not approved, for any reason whatsoever, The Company shall be entitled to announce the cancellation of the agreement, and the insurance policy – respectively, by an advance notice of 60 days to the policyholder and the insured.

20. **Taxes and levies** - the insured is liable to pay all government and other taxes applicable to this insurance policy or imposed on the premiums and the insurance benefits and all other payments that The Company is required to pay according to the insurance policy, whether these taxes exist on the day of the policy's entry into force or such imposed at a later date. It should be clarified that the premium on the effective date includes all the applicable taxes and levies at that time.
21. **Various provisions – group health insurance**

(A) <u>The duties of the policyholder</u> - the policyholder declares and undertakes that in the matter of his being a policyholder he acts faithfully and diligently for the benefit of the insureds only and that he does not and will not have any benefit from being the policyholder.

(B) <u>Enrollment of an insured (for the first time)</u>

(A) Under the terms and conditions of the insurance policy, one of the following is imposed on the insured: (1) to pay, on the date of commencement of the insurance, insurance fees or part of them, including if their collection occurs after that date; (2) to pay tax or other payment due to the group insurance policy; the Insurer shall not be enrolled to the insurance, unless if his explicit advance written consent, and if the insured is the child or spouse of a member of the insured group - The Insurer is entitled to enroll him after the consent of that member has been given to enroll his child or his spouse.

(B) Subsection (a) shall not apply to the insurance policy, if it is renewed for an additional period by The Insurer or by another insurer, if the following conditions are met: (1) The insurance policy was in force for a group of insureds for at least 3 years prior to its renewal date; (2) Renewal of the policy is made, whether under the same terms and conditions or under other terms and conditions, while maintaining the insurance continuity in respect of insurance coverage that was in effect until the renewal date and which was included in the policy after that date;
For the purpose of this section, **"maintaining continuity of insurance"** – means maintaining continuity without reexamining the medical condition and without a qualifying period.

(C) In the event that the number of insureds falls under 50, the insurance policy shall not be renewed upon its expiry or at the end of the insurance policy, whichever is earlier.

(C) Providing document to the insured

(A) The Insurer shall deliver, at the beginning of the insurance period, to each insured, whether upon his initial enrollment or on the date of renewing the insurance for an additional period, a copy of the insurance policy, a form of due diligence according to guidelines of the Commissioner, an insurance details sheet and additional documents that the Commissioner shall direct:
(1) Notwithstanding the aforesaid, in the event that the policy was renewed for an additional period with the same insurer or if the policy was extended for a period not exceeding 3 months, during which negotiations are held between the policyholder and The Insurer regarding the renewal of the policy for an additional period, without any change in the insurance fees and in the other conditions of the insurance coverage, then The Insurer shall notify each insured of renewal of the insurance only and shall state:

(1) That the insurance period was extended and that no amendments were applied to the terms of the insurance coverage;
(2) The entitlement of the insured to receive the copy of the insurance policy documents.
(3) The entitlement of the insured to review the insurance policy documents, noting where it is possible to do so.

(B) The insurance details sheet shall include at least the following details, if those are not included in the due diligence form:
(1) The name of The Insurer, the name of the policyholder, the name of the insurance agent, if any, and the name of the group insurance policy that applies to the insured;
(2) The amount of insurance purchased by a certain insured, if different insurance amounts can be purchased within the framework of the same insurance policy;
(3) Limitations concerning the scope of insurance coverage of a certain insured, including a restriction as to a certain medical condition of the said insured;
(4) An underwriting supplement for a particular insured, as well as a description of the medical condition or other reason due to which the said supplement was determined;
(5) The manner of submitting a claim for payment of insurance benefits and clarifying the rights and obligations according to the insurance policy;
(6) Additional details directed by The Commissioner;

(C) In the event that an insured is liable to pay insurance fees or any part of them, then The Insurer will send the Insured, at his request, a copy of the contract between The Insurer and the policyholder within 30 days from the date on which The Insured's request was received.

(D) In the event that it is determined that the policyholder pays the insurance fees in full, The Insurer will send the insured, at his request, a copy of the contract between The Insurer and the policyholder within 30 days from the date on which the insured's request was received, but The Insurer is entitled not to send to the insured provisions in the said contract regarding the amount of insurance fees, adjustment of the insurance fees and participation in profits.

(D) <u>Notifying the insured</u>

(A) In the event that there is a change in the insurance fees or an amendment in the terms and conditions of the insurance coverage, on the policy renewal date or during the course of the insurance policy period (in this section - **"Date of Commencement of the Change"**), the Insurer will provide each insured, prior to the Date of Commencement of the Change, up to 60 days prior to the Date of Commencement of the Change, a written notice which details the change.
In the event that an explicit consent of the insured is required, as stated in this insurance policy, a paragraph shall be included in such notice regarding the explicit consent required of the insured and in the absence thereof, the notice shall specify the meaning of lack of insurance continuity.
In the event that no explicit consent of the insured is received as provided above by the Date of Commencement of the Change, The Insurer shall provide the insured, within 21 days and no later than 45 date prior to the Date of Commencement of the Change, a second notice of the requirement to receive the explicit consent of the insured. The second notice shall be delivered by means other than sending by regular mail, including, by registered mail or a telephone conversation.

(B) In the event that the insurance policy was renewed with another insurer, who did not insure the group prior to the renewal, then the other insurer shall provide each insured a notice of such renewal, no later than 30 days from the date of renewal of the insurance.

(C) In the event that the insurance policy is terminated and not renewed, whether with the same insurer or another insurer, for all the insureds or part of them, The Insurer shall provide each insured whose policy is terminated or not renewed, no later than 30 days from the date of termination of the insurance period, a written notice

of the termination of the insurance, while noting the right for continuity of the insured, for an individual long-term care insurance policy, and the right of the insured to obtain a discount in the insurance fees, insofar as one of the said rights is applicable, and it shall further specify in such notice any other right of the insured, which derives of the termination of the insurance policy.

(D) In the event that the relation between the insured and the policyholder has ceased (non-membership of Meuhedet), The Insurer shall provide each insured as aforesaid, within 30 days from the day on which it becomes aware of the termination of such relation or at the latest within 90 days from the date of termination of the said relation, a written notice regarding the termination of the insurance, including a detailed specification of the rights of the insured according to the policy.

(E) In the event that at the date of the enrollment to the insurance policy an insured is liable to pay insurance fees, collection of which - according to the terms of the insurance policy – shall commence subsequently to the said date, then The Company shall provide whoever is paying the insurance fees - and who is not the policyholder, a written notice stating the date on which collection of the insurance fees shall commence. Such notice shall be provided to whoever is paying the insurance fees throughout the three months prior to the said collection date.

(E) <u>Cancellation of the insurance in respect of a certain insured</u>

(A) In the event that the insurance is renewed or in the event that the terms of the insurance are amended during the insurance period and no express consent of the insured was required as stated in this insurance policy above, and in the event that the insured notified The Company or the policyholder, during the course of 60 days after the renewal date of the insurance or the amendment date, as the case may be, of the cancellation of the insurance with respect to that insured, the insurance will be canceled for in his respect as of the date of renewal of the insurance or as of the date of the amendment, as the case may be, provided that no claim has been filed for the realization of rights under the insurance policy due to an insurance event which occurred during the 60-day period as aforesaid.

(B) In the event that the insurance is renewed or the terms and conditions of the insurance were amendment throughout the insurance period and an explicit consent of the insured is required as provided in this insurance policy above, and no such consent was received by the date of the renewal of the insurance, the insurance in respect thereof shall be canceled as of the date of the renewal of the insurance or as of the date of the amendment, as the case may be; in the event that such insurance was cancelled and the insured requested the insurer to enroll back to the insurance policy, within 45 days from the date of the delivery of the second notice, and gave his explicit consent to the renewal or the amendment, as the case may be, the insured shall be enrolled back to the insurance policy, while maintaining insurance continuity as provided in Section 21BB above.

For the purpose of this section, **"no consent was received"** – excluding the explicit denial of the insured to renew the insurance of amend the terms and conditions thereof and including an insured that was delivered the second notice by means of a telephone conversation in the course of which the insured did not express his explicit consent.

(C) Notwithstanding the provisions of sub-section (B), in the event that the connection between the insured and the policyholder has ceased (membership in Meuhedet), due to which he engaged in the insurance policy, the insurance in respect of that insured shall be cancelled, within a maximum of 90 days from the date of cancellation of the connection.

(F) <u>Insurance period</u>

The insurance policy shall not be expired in respect of an insured prior to the termination of the insurance period, as provided in Section 15 above, and all the insurance coverages

according thereto shall apply until the end of the insurance period, provided that The Insurer receives the insurance fees for the insured for the said coverages.

(G) <u>Double insurance (in the event of indemnification)</u>

(A) The Company shall be liable, separately, toward the insured, for the entire amount of insurance benefits up to the maximum amount provided in the insurance policy, even if the insured is further entitled to coverage of the expenses paid for an insurance event under another health insurance policy with the same insurer or another insurer.

(B) The insurers shall beat the burden of charge themselves, according to the ratio between the maximum insurance benefits concerning the insurance event as provided in the insurance policies.

22. **The possibility to purchase a long-term individual insurance policy**

(A) Each insured shall be entitled to purchase from The Company long-term individual insurance policies (**"long-term individual insurance policies"**) **in addition** to the long-term care benefit included in this insurance policy.

(B) The insured shall be given the possibility to purchase a long-term individual insurance policy of two types:

(1) A long-term individual insurance policy for the entire life of the insured, which gives nursing benefits, after a waiting period, as a compensation upon the occurrence of an insurance event for periods of the nursing benefits, to be chosen by the insured of the various options marketed by The Company.

(2) "Supplemental nursing policy" – a long-term individual insurance policy for the entire life of the insured, which "extends" the period of payment of the insurance benefits subsequently to expiration of the entitlement period for nursing benefit that exists under this insurance policy (namely, after 60 months of payment of the nursing benefit), and for the entire life of the insured, in the form of a compensation upon the occurrence of an insurance event, according to the insurance amount purchased by the insured.

(C) The Company shall be entitled, at its sole discretion, and solely for medical reasons, to reject a request to purchase the individual insurance policy to an insured.

(D) The terms of insurance according to the individual insurance policies shall be in accordance with the individual insurance policies as practices by The Company at the time of enrolling to the individual insurance policy.

(E) An insured who wishes to purchase the individual policies as stated above, shall fill an application to enroll and shall be required to provide a health declaration, and The Company shall be entitled to request him to be examined by a physician on its behalf or may require other medical documents required to determine the terms of his acceptance into the insurance. For the avoidance of doubt, the aforesaid shall further apply to a person who was insured according to the previous group long-term care insurance, and who has sequentially moved to be insured under this policy, if the insured wishes to purchase the aforesaid individual policies.

(F) The premium for the individual insurance policy shall be collected directly from the insured, without any involvement on the part of the policyholder.

23. **Notices**

The addressed of the parties for the purpose of providing notices in respect of the provisions of this insurance policy are as follows:

The policyholder: Meuhedet Sickness Fund, 124 Ibn Gabirol Street, Tel Aviv
The Company: The Phoenix Insurance Company Ltd., 53 HaShalon Street, Givataim.
The Insured: the last address of the insured, as it appears in the records of the policyholder.

For enrollment and information about “Meuhedet Long-Term Care Insurance”:

TEL: *3833 | 077-270-3833 (extension 5)

Operating hours between Sundays and Thursdays: 08:00-21:00, Fridays 08:00-12:00

MEUHEDET.CO.IL

For information after filing a claim, please contact the call center of “Meuhedet Long-Term Care Insurance”:

TEL: 03-6380340 | Fax: 03-6380011

Operating hours between Sundays and Thursdays: 08:00-17:00

E-MAIL: MEUHEDET-SIUD@MADANES.COM