



# Vehicle Insurance Comprehensive Collision

Insurance terms no. BK10

The insurer is VÍS tryggingar hf., reg. no. 670112-0470, hereinafter "VIS".

## The insurance is governed by:

- The insurance policy, including endorsements and special terms.
- These insurance terms no. BK10.
- The VIS general terms and conditions no. YY10.
- Act No. 30/2004 on Insurance contracts.
- Terms and conditions of Ökuvísir.

The provisions of the insurance policy and the renewal receipt take precedence over the provisions of the insurance terms. The provisions in the insurance policy, the renewal receipt and the insurance terms take precedence over the non-mandatory provisions of law.

Ökuvísir is an insurance program in vehicle insurance that individuals can choose as part of their private vehicle insurance. If individuals choose this insurance program, they will be provided with a custom app (hereinafter the "app") and a telematics device (hereinafter the "telematics device") which monitor the driving behavior and give a driving rating. This allows policyholders to influence the premiums they pay for mandatory vehicle insurance and comprehensive vehicle insurance through their driving rating (this insurance program is hereinafter referred to as "Ökuvísir"). Further information on the Ökuvísir pricing can be found in clause 10.3 of these insurance terms.

We know you love your car and want only the best for it. However, all of us can have a traffic accident or get into situations that lead to damage. **Comprehensive Collision insurance** covers all damage to your car, unless otherwise stated in the terms or certificate.

The **terms** describe the rights and obligations of you and VIS.

The **policy** confirms that you have purchased insurance from VIS. The policy is accessible by signing in at vis.is.

## 1. What is insured?

1.1 The insurance applies to the vehicle stated in the insurance policy or the renewal receipt.

## 2. Who is insured?

2.1 The owner of the vehicle is the insured.

## 3. Where is the insurance valid?

3.1 The insurance is valid in Iceland and during travel elsewhere in the European Economic Area, Britain and Switzerland for up to 92 days, effective from the date of departure in Iceland, plus the necessary transport time between these countries, provided the insurance is a full-year insurance.

## 4. What is covered under the insurance?

4.1 The insurance covers damage to the vehicle due to sudden, external events, not specifically excluded in these terms.

4.2 The insurance covers damage to the vehicle due to fire. It is not considered a fire if items burn or melt in the absence of a fire.

4.3 The insurance covers theft and attempted theft of the vehicle or parts thereof if the theft has been reported immediately to the police.

4.4 Acts of vandalism if they have been reported immediately to the police.

4.5 The insurance also covers cost of salvage or transport to the nearest repair shop that VIS approves if the vehicle becomes unfit to drive due to compensable damage that occurred in Iceland.

## 5. What is not covered under the insurance?

When you buy **comprehensive insurance**, you are insuring your vehicle against damage. You as the owner of the vehicle are insured.



- 5.1 The insurance does not cover:
- a) Damage to vehicles when driving on roads or sections of road where it is forbidden to drive vehicles according to the instructions of the relevant authorities, or when driving over un-bridged rivers and streams, on shores, floodplains or in other non-road conditions. However, damage to the vehicle will be compensated if it is proven to have occurred when the driver was forced to leave the road, e.g. due to road repairs. The insurance also applies to tractors, off-road vehicles and specially equipped SUVs when driving over un-bridged rivers and streams, on shores, floodplains and in other non-road conditions.
  - b) Failure of the vehicle or its equipment unless it can be traced to a compensable event as referred to in Article 4 above.
  - c) Damage to the undercarriage, including all mechanical and electrical components located there, if the vehicle was driven on country roads (landvegum) or main roads in the highlands (stofnvegum um hálendi) and the damage is due to loose stones striking the undercarriage of the vehicle or the vehicle driving over road imperfections, holes or rocks. This also applies to driving over un-bridged rivers, streams and trails.
  - d) Damage to the undercarriage, mechanical and electrical equipment, tires or rims of a vehicle that does not impair usability, even if the manufacturer's warranty expires upon damage. This applies to scratches, dents, impact wounds, bends and abrasion marks.
  - e) Damage to the vehicle's paintwork due to traditional stone throwing from the road or when stones/rocks fall from other vehicles. However, damage to the vehicle's glass roof is covered if the damage affects the vehicle's structure. A traditional stone throw refers to the event when loose stones on the road are thrown from under another vehicle onto the insured vehicle.
  - f) Damage or theft of any additional equipment of the vehicle's accessories, e.g. positioning and telecommunications equipment, loading equipment, goods lifts and cranes on trucks, loose roof racks and luggage boxes, films, painted advertising and photos, unless otherwise agreed.
  - g) Damage to the vehicle due to participation in a driving competition or during training in a driving sport, whether or not the training is for a competition.
  - h) Damage to the vehicle due to pets.
  - i) Damage to the vehicle's cylinders, cooling, electrical or mechanical equipment caused by frost or heat, whether due to weather conditions or temperature in storage facilities.
  - j) Damage due to lack or incorrect use of lubricants, cleaning materials, coolants, fuel or use of electrical equipment, for example, due to the use of incorrect or unrecognized charging equipment.
  - k) Damage or wear to the vehicle, paintwork, ceramic coating, tires, wheels or other individual parts, due to use, e.g. corrosion, rust and other normal wear.
  - l) Damage to trailers or other devices that have been connected or attached to the vehicle.
  - m) Damage due to drifting of loose minerals, e.g. sand, gravel or soil.
  - n) Damage to tires or rims resulting from normal friction or wear during driving and handling of the vehicle. Conventional friction and wear refers to when tires and rims bump into any kind of road edges, fixed obstacles, nails or stones during normal driving, resulting in only an appearance defect or a flat tire.
  - o) Damage caused by water flowing into the vehicle or engine compartment outside a hard surface and damage on a hard surface if it is apparent that water has accumulated on the road or a special warning has been issued that there is a risk of such accumulation of water.
  - p) Damage or theft of a key or other access device.
  - q) Damage that can be traced to behavior, e.g. smoking and consumption of food and drink.
  - r) Damage to the vehicle due to the transport of cargo unless the damage can be traced to a compensable event.
- 5.2 The insurance does not cover loss or increase in loss directly or indirectly caused by or



resulting from an earthquake, volcanic eruption or other natural disasters. However, the insurance covers loss due to rockslides, landslides, avalanches from maintain slopes, mudslides or floods and lightning.

## 6. Precautionary rules

- 6.1 The driver of the insured vehicle shall have the rights and skills required for driving it.
- 6.2 The driver must be in a mental and physical condition to operate the vehicle safely and shall not be under the influence of alcohol, habit-forming and narcotic substances, stimulants or depressants when using the vehicle.
- 6.3 The vehicle shall be locked when no one is inside it and the keys shall be stored in a secure place.
- 6.4 The instructions of the manufacturer of the vehicle shall be followed when unloading cargo.
- 6.5 When hoisting with a crane attached to the vehicle, the instructions of the manufacturer on the use of the crane shall be followed and care must be taken to use hoisting mechanisms that are appropriate for the load to be lifted.
- 6.6 The vehicle shall not be used for other driving than stated in the insurance policy or the renewal receipt.
- 6.7 The insured shall maintain the vehicle in accordance with the manufacturer's instructions and guidelines.
- 6.8 The insured shall follow official instructions for the inspection of the vehicle and ensure that it always meets the requirements for type and equipment.
- 6.9 The insured shall ensure that the vehicle's safety equipment is always in order.
- 6.10 The insured and the person responsible for the vehicle with the consent of the owner must store the vehicle in a manner that ensures it does not blow away in bad weather conditions. The vehicle shall not be used for driving in areas where warnings have been issued regarding the operation of vehicles due to severe weather or in areas where wind speeds are measured to be consistently over 24,5 m/s according to the measurement of the Icelandic Meteorological Office.

## 7. Changed use of vehicle

- 7.1 VIS must be notified immediately if the use of the vehicle changes from what is stated in the insurance policy or the renewal receipt, as use affects the price of the insurance. Failure to comply with this notification obligation may result in VIS's liability being reduced in proportion to the price for the changed use.

## 8. Access to information

- 8.1 If an insurance incident has occurred, it is mandatory for the insured, or anyone making claims under the insurance to preserve and provide VIS access to audio and visual recordings as well as all electronic information registered in the vehicle's computer system or additional equipment.

## 9. Conduct of others

- 9.1 VIS may cite the conduct of a person who, with the consent of the registered owner or custodian, is responsible for the insured vehicle.
- 9.2 In instances of commercial use, VIS may cite the conduct of the manager of the insured as well as the operator of the insured vehicle.

## 10. Price

- 10.1 Price for the Ökuvísir insurance program:
  - 10.1.1 Determined by measurements from the associated app and telematics device.
  - 10.1.2 Calculated on the basis of a base premium, which is the maximum price for the insurance and is determined by the value of the vehicle and the deductible, and variable components that include the driving rating and the kilometers driven. The policyholder can calculate how the variable components can affect the price by using a calculator in the app and by checking the Ökuvísir tariff which is accessible on the VIS website at vis.is.
  - 10.1.3 Based on the variable components, which can have the effect of reducing the base premium and are calculated for every 30 days within the insurance period.
  - 10.1.4 If the policyholder does not connect to the telematics device within 60 days of applying for the insurance, turns off the telematics device, the app or otherwise tries to influence the calculation or the driving rating, the price will be based on the base price.

An example of a **change of use** is if a vehicle is used for commercial purposes, motor sports or for rental.



- 10.1.5 The base price will be adjusted upon renewal of the insurance in accordance with changes in the index and VIS's premium tariff

## 11. Deregistration

- 11.1 In the event of deregistration of the insured vehicle, the insurance is cancelled when the deregistration has taken place.

## 12. Determination of compensation

- 12.1 The amount of compensation is determined by the value of the vehicle. The value of the vehicle is the amount that a vehicle of comparable type, age and quality costs on the general market on the date of the damage, based on cash transactions.
- 12.2 The amount of compensation according to clause 12.1 may, however, never exceed the amount stated in the policy and renewal receipt, if specified therein. The insured shall never benefit from an insurance incident. The insurance shall only compensate for the insured's actual damage.
- 12.3 VIS is authorized to depreciate the value of the following items due to age, use and other factors that may affect the value of the item. Depreciation cannot exceed what is stated in the table below:

| Type   | Depreciates     | Depreciation | Total depreciation |
|--|-----------------|--------------|--------------------|
| Paint protection, e.g. ceramic coating or permanent coating. | Every 12 months | 33,33%       | 100%               |

- 12.4 VIS pays compensation for total loss if:
- 12.4.1 The vehicle is so severely damaged that VIS does not consider it worthwhile to repair.
- 12.4.2 The vehicle is stolen and has not been found within four weeks from the time VIS was notified of the event.
- 12.5 If a total loss occurs to the vehicle, VIS decides whether to:
- 12.5.1 Pay the value of the vehicle against a transfer.
- 12.5.2 Pay the difference between the value of the vehicle before and after the loss event.
- 12.5.3 Replace the vehicle with the same type of vehicle which is of comparable age and condition. If VIS chooses to provide another vehicle, it is entitled to require the policyholder to give it the title for the damaged vehicle.
- 12.6 Compensation for partial damage:
- 12.6.1 In the event of damage to the vehicle without the conditions of clause 12.4-12.5 existing, VIS will pay the cost of repairing the vehicle to the extent possible, so that it is in the same or similar condition as before the damage. The repair is considered complete, even if it is visible that the vehicle has been repaired.
- 12.6.2 In the event of damage to tires and/or rims, VIS will only pay compensation for the tires/rims that were damaged, even if other tires/rims need to be replaced.
- 12.6.3 VIS is entitled to pay either repair costs at a repair shop approved by VIS or compensation for the estimated repair cost.
- 12.6.4 VIS does not compensate for damage to the vehicle prior to the reported damage.
- 12.6.5 VIS will not compensate for a reduction in the market price of the vehicle, indirect damage, such as loss of use, additional expenses for work outside normal working hours or additional costs due to special orders for spare parts.
- 12.6.6 VIS is not obliged to pay for repairs that are initiated without its approval.

## 13. Assignment

- 13.1 The assignment of rights under the insurance contract is subject to the approval of VIS.

The information provided on the right margin is for the guidance of customers only and is not part of the terms themselves and is not intended to be used for interpreting specific clauses of the terms.

This is a translation of the authoritative Icelandic text. In the event of any discrepancies between the translation and the original Icelandic text, the original text shall prevail.