



# Heavy Machinery Insurance

Insurance Terms No. EE50

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. EE50.
- The VIS general terms and conditions No. YY10.
- Act No. 30/2004 on Insurance Contracts.

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

**Machine insurance** covers all damage to the machine 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** 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 machine specified in the policy or renewal receipt.

## 2. Who is insured?

2.1 The owner of the machine is insured.

## 3. Where is the insurance valid?

3.1 The insurance is valid in Iceland.

## 4. What is covered under the insurance?

4.1 The insurance covers direct damage to the machine due to sudden and unforeseeable external events, which are not specifically excluded in these terms.

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

- 5.1 Damage caused by sudden temperature and/or humidity changes.
- 5.2 Damage from wear, defects in construction or design, incorrect assembly, breakage, or other malfunction in or on the machine.
- 5.3 Damage to paint or scratches on the machine's body or coverings considered normal due to usage.
- 5.4 Breakage or damage to lights only.
- 5.5 Damage to electrical wiring, meters, or batteries due to short circuits not causing a fire.
- 5.6 Theft of individual parts of the machine.
- 5.7 Damage or increase in damage directly or indirectly caused by earthquakes, volcanic eruptions, landslides, avalanches, or other natural disasters.

## 6. Precautionary rules

- 6.1 The operator of the insured machine must have the required qualifications and knowledge to operate it.
- 6.2 The machine operator must not be under the influence of alcohol, narcotics, or addictive substances while operating the machine.
- 6.3 The machine must be locked when unattended, and keys must be kept in a safe place.
- 6.4 The insured must maintain the machine according to the manufacturer's instructions and guidelines.
- 6.5 The insured must follow the manufacturer's instructions for the use of the machine.
- 6.6 The insured must comply with official inspection instructions and ensure the machine meets requirements regarding design and equipment at all times.
- 6.7 The insured must ensure that the machine's safety equipment is always functional.
- 6.8 The insured must ensure there is always sufficient antifreeze in the engine coolant.

When you purchase **machine insurance**, you are insuring the machine against damage. You, as the owner of the machine, are insured.

**Precautionary rules** are requirements that are made with the aim of preventing damage or reducing the likelihood that damage will occur. It is important to know what they are.



## 7. Conduct of others

- 7.1 In business operations, VIS can hold the insured's managers and the machine operator accountable for their conduct.

## 8. Insurance amount

- 8.1 The insurance amount is determined by the machine's value. The value of the machine is the amount a similar machine of the same type, age, and quality would cost on the open market on the day of the damage, based on cash transactions.
- 8.2 The insurance amount according to clause 8.1 can never exceed the amount stated in the policy and renewal receipt, if specified there.

## 9. Determination of compensation

- 9.1 VIS pays compensation for total loss if:
- 9.1.1 The machine is so severely damaged that VIS deems it not worth repairing.
  - 9.1.2 The machine is stolen and not found within four weeks from the time VIS was notified of the incident.
- 9.2 In case of total loss of the machine, VIS decides whether to:
- 9.2.1 Pay the machine's value against a transfer of ownership.
  - 9.2.2 Pay the difference between the machine's value before and after the damage.
  - 9.2.3 Provide another machine of the same type, age, and design. If VIS chooses to provide another machine, it has the right to claim the damaged machine from the insured.
- 9.3 Compensation for partial damage:
- 9.3.1 If the machine is damaged but does not meet the conditions of clauses 9.1 – 9.2, VIS pays the cost of repairing the machine as far as possible, restoring it to the same or similar condition as before the damage. It is considered a full repair even if it is visible that the machine has been repaired.
  - 9.3.2 In case of damage to tires and/or rims, VIS only compensates for the damaged tires/rims, even if others need to be replaced.
  - 9.3.3 VIS has the right to either pay the repair cost at a workshop approved by VIS or compensation for the estimated repair cost.
  - 9.3.4 VIS does not pay compensation for damage that existed before the incident.
  - 9.3.5 If VIS approves the machine's repair, it pays the transportation cost to an approved workshop.
  - 9.3.6 VIS does not compensate for a decrease in the machine's market value, 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.

## 10. Assignment

- 10.1 The assignment of rights under this 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.**