



Property Insurance

Insurance Terms No. EL10

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

The insurance is governed by:

- The insurance policy, including endorsements and special terms.
- These insurance terms no. EL10.
- The VÍS 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.

Property Insurance is for items that are not part of the real estate, such as goods, machines, equipment, and tools.

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

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

- I. **General Provisions**
- II. **Fire Insurance**
- III. **Water damage Insurance (optional)**
- IV. **Burglary and theft Insurance (optional)**
- V. **Storm Insurance (optional)**

I. General Provisions

1. Included Insurance

1.1 Insurance according to Chapters III, IV, and V is included if specified in the policy or renewal receipt.

2. What is insured?

2.1 Insured is personal property owned by the insured as specified in the policy or renewal receipt. Unless otherwise stated in the policy or renewal receipt, personal property refers to goods, including raw materials, semi-finished and finished products, packaging, household items, fixtures, machinery, and other operational equipment, including tools, instruments, and vehicles that are not required to be registered under traffic laws.

2.2 The insurance does not cover the following unless specifically agreed upon and mentioned in the policy or renewal receipt:

- a) Works of art.
- b) Cash, cash equivalents, securities, stocks, manuscripts, stamp collections, documents, precious metals, gemstones, watches, or jewelry.
- c) Computer programs, accounting records, technical drawings, models, and similar items that need to be renewed or reproduced after a loss event.
- d) Registered motor vehicles, boats, ships, and aircraft.
- e) Personal property covered under real estate fire insurance.

3. Who is insured?

3.1 The owner of the personal property is insured.

4. Where is the insurance valid?

4.1 The insurance is valid at the location specified in the policy or renewal receipt (hereinafter "insurance location").

5. What is not covered under the insurance?

5.1 The insurance does not cover operational losses or other indirect damage.

5.2 The insurance does not compensate loss or damage or increases thereof that is directly or indirectly the result of or caused by earthquakes, volcanic eruptions, landslides, snow



avalanches, or other natural disasters.

6. Precautionary rules

- 6.1 The insured must ensure that items are not put at risk from fire or heat.
- 6.2 The insured must ensure that all arrangements at the insurance location comply fully with the instructions in applicable laws, regulations, and recommendations from public supervisory authorities.
- 6.3 The insured must ensure that stock in basements is on a rack or pallet and that there is a drain in the storage room.
- 6.4 The insured must ensure that water supply is shut off in unheated houses and water pipes are emptied when there is a risk of frost.
- 6.5 The insured must ensure that drains are in order by cleaning them.
- 6.6 The insured must ensure that personal property is not stored in open houses, sheds, or shelters to prevent damage from bad weather, theft, or surface water caused by sudden downpours or snowmelt (thaw).
- 6.7 The insured must ensure that doors, windows, and other openings at the insurance location are closed and securely locked.
- 6.8 The insured must ensure that insured personal property outdoors is securely fastened and arranged. All fastenings and arrangements of personal property outdoors must be checked and strengthened if bad weather is expected.
- 6.9 The insured must ensure that vending machines, display cabinets, and display cases are always locked.
- 6.10 The insured must always store keys in such a way that unauthorized persons cannot access them.

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. Changed use

- 7.1 Any changes in the type and use of the insurance location that may increase the risk of damage must be reported to VÍS immediately. Failure to do so may result in VÍS's liability being limited or terminated.¹

8. Conduct of others

- 8.1 When determining compensation liability, VÍS reserves the right to consider the conduct of the insured's spouse and individuals living with them in a permanent relationship.²
- 8.2 In business operations, VÍS may consider the conduct of the insured's managers or supervisors of individual items, equipment, and real estate where insured personal property is located.

9. Determination of compensation

- 9.1 Compensation shall be based on the value on the day of the damage of a new item, comparable to the one that was damaged. VÍS is entitled to deduct depreciation due to age, use, and other factors that may affect the item's value.
- 9.2 Despite clause 9.1, depreciation of the following items cannot exceed what is stated in the table below.

Type	Depreciation Interval	Depreciation Rate	Maximum Depreciation
Smart devices and computer equipment along with accessories.	Every 6 months	10%	70%
Other items	Every 12 months	10%	70%

- 9.3 Goods that the insured has not produced are valued at the purchase price plus costs based on standard purchasing and transportation methods.
- 9.4 Goods in production and finished goods that the insured has produced are valued according to the purchase price of raw materials plus incurred production costs.
- 9.5 Compensation is not paid for estimated sales price or loss of profit.
- 9.6 If it is possible to repair the damaged item so that it is in a similar condition as before the damage and the repair is worthwhile according to VÍS, VÍS may either pay the

¹ According to Article 24 of Act No. 30/2004 on Insurance Contracts.

² According to Article 29 of Act No. 30/2004 on Insurance Contracts.



insured the estimated repair cost or have the damaged item repaired at VÍS's expense. It is considered a complete repair even if it is visible that the item has been repaired.

- 9.7 If it is not possible to repair the damaged item or it is not worthwhile according to VÍS, VÍS may pay compensation in money or provide a comparable item to the one that was damaged. If VÍS has paid compensation according to this clause, it reserves the right to claim the damaged item.
- 9.8 VÍS has the right to pay the difference between the value of the damaged item as it was before the damage event and the value after the damage event.
- 9.9 The insured shall not profit from the damage event. The insurance shall only compensate the actual loss of the insured.

10. Transfer

- 10.1 Transfer of rights under this insurance is subject to VÍS's approval.

II. Fire Insurance

11. What is covered under the insurance?

The insurance covers the following events/incidents:	What is covered under the Insurance?	What is not covered under the Insurance?
11.1 Fire, lightning and explosion.	a) Damage caused by fire. It is not considered a fire when items are scorched or melted if the fire is not free. b) Damage caused by lightning. c) Damage caused by an explosion.	d) Damage caused by work with explosives during construction. e) Damage to electrical or electronic equipment caused solely by a short circuit or other electrical phenomena, induction from an electrically charged storm, unless it results in a fire or is a consequence of a fire.
11.2 Boiler damage.	a) Damage to a steam boiler or high-pressure cooking system due to overpressure that occurs during normal use of the equipment.	b) Damage caused by dry cooking.
11.3 Soot.	a) Damage caused by sudden and unexpected sootfall from an approved heating device or fireplace.	b) Damage from soot or smoke that gradually accumulates during use.
11.4 Aircraft.	a) Damage caused by aircraft and parts falling from them.	
11.5 Firefighting and Rescue Actions.	a) Damage and costs due to firefighting and rescue operations when the aim of the measures is to avoid or limit damage covered by the insurance, and the measures are considered special and justifiable. b) Costs due to necessary transportation of the insured personal property in connection with damage that is compensable under the insurance. c) Personal property lost during firefighting and rescue operations.	



III. Water damage Insurance

12. What is covered under the insurance?

The insurance covers the following events/incidents:	What is covered under the Insurance?	What is not covered under the Insurance?
12.1 Water.	<ul style="list-style-type: none"> a) Damage caused by water that unexpectedly and suddenly flows from the house's pipes and originates within its walls. b) Damage caused by water that unexpectedly and suddenly flows from devices that are permanently connected to the house's pipes. c) Damage caused by external surface water flowing in through window and door openings at the insured location due to sudden heavy rainfall (cloudburst) or snowmelt, and the volume of water becomes so great that drainage systems cannot remove it. Consideration should be given in determining liability for compensation whether general property damage has occurred in the vicinity of the insured location due to the same event. 	<ul style="list-style-type: none"> d) Damage caused by external water, other than specified in section c of this article, such as: <ul style="list-style-type: none"> i. Due to groundwater or flooding from the sea, lakes, rivers, or streams. ii. Due to water from balconies, roofs, gutters, or their drainage systems. iii. Due to precipitation that enters through the roof or walls, except as a result of compensable wind damage. e) Damage caused by water that is forced up from sewer or drainage systems, or if the drainage systems suddenly cannot carry all the water flowing into them, with the exception that the pipe is clogged or bursts indoors. f) Damage due to prolonged moisture, water leakage, or contamination. g) Damage due to construction work or maintenance, including work on water pipes.
12.2 Oil or coolant.	<ul style="list-style-type: none"> a) Damage due to oil or coolant that suddenly and unexpectedly flows from an oil tank, oil furnace, refrigerator, or cooling system. 	<ul style="list-style-type: none"> b) Damage to goods in freezers and cold storage, although damage to goods stored in retail stores is covered if coolant suddenly and unexpectedly leaks onto them. c) Damage due to prolonged oil leakage or contamination. d) Damage that occurs during the refilling of oil or coolant. e) Loss or damage to oil or coolant.

IV. Burglary and Robbery Insurance

13. What is covered under the insurance?

The insurance covers the following events/incidents:	What is covered under the Insurance?	What is not covered under the Insurance?
13.1 Theft and burglary.	<ul style="list-style-type: none"> a) Theft and damage to insured personal property during a burglary at the insurance location. It is considered a burglary when an individual, who is not intended to enter the insurance location, breaks or attempts to break in through locked doors or openings. b) If compensation is paid for a burglary in real estate, the insurance also covers damage to the real estate, up to 10% of the insured amount of personal property. c) Theft from vending machines, display cabinets, or display cases indoors at the insurance location. 	<ul style="list-style-type: none"> d) Damage to windows and mailboxes, even if it occurs in connection with a burglary. e) Damage to the real estate caused by fire, even if it occurs in connection with a burglary. f) Theft from a safe that has been opened with a key or access code left at the insurance location. g) Theft of items stored outdoors, in open sheds or shelters, houses under construction, or storage rooms clad with cardboard, plastic sheeting, etc. h) Theft committed with the involvement of the insured's employee.
13.2 Robbery.	<ul style="list-style-type: none"> a) When insured personal property is robbed from the insured or their staff at the insurance location or during domestic travel. It is considered robbery when insured items are taken with physical violence or the threat of immediate physical violence.³ <ul style="list-style-type: none"> i. Maximum compensation amounts to 10% of the insured amount specified in the policy or renewal receipt. 	<ul style="list-style-type: none"> b) Damage due to robbery committed with the involvement of the insured's employee.

³ According to Article 252 of Act No. 19/1940 on General Penal Code.



V. Storm Insurance

14. What is covered under the insurance?

The insurance covers the following events/incidents:	What is covered under the Insurance?	What is not covered under the Insurance?
14.1 Storm.	<ul style="list-style-type: none"> a) Damage to indoor personal property due to a storm when the wind has broken the roof, windows, or other parts of the house. b) Damage to outdoor personal property due to a storm if it has been specifically agreed upon and specified in the policy. A collection of unspecified items is not covered by the insurance. c) A storm is defined as when the wind speed reaches 28.5 meters per second. If recognized information about wind speed at the damage location is not available, the determination of liability should consider whether general property damage occurred in the area due to the weather. 	

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.