



# Home Insurance

Insurance Terms No. GH01

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. GH01.
- 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.

**Home Insurance** is comprehensive coverage that insures the contents and residents of the home against various common losses.

Chapter II, **Contents Insurance**, is the base, while Chapters III to V are optional, allowing you to customize the insurance to your needs.

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 under documents at vis.is.

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## I. General provisions

### 1. Included coverages

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

### 2. Who is insured?

- 2.1 The policyholder, who is the individual named in the policy or the renewal receipt.
- 2.2 Also insured:
  - 2.2.1 The spouse or cohabiting partner of the policyholder and their unmarried children, including foster children, provided they have the same registered domicile in Iceland, are members of the same household and live at the same address.
  - 2.2.2 The spouse of the policyholder, even though they have a different registered domicile in Iceland.
  - 2.2.3 The policyholder's children and/or those of his spouse who are younger than 18 years of age are also insured, even though they have a different registered domicile in Iceland from that of the policyholder.
  - 2.2.4 Persons registered on the policy or renewal receipt at the request of the policyholder, provided that these persons have the same registered domicile in Iceland as the

Families and family composition can vary greatly. Therefore, it is important to know who is insured in your **home insurance**. We encourage you to contact us if your family circumstances do not fit into Article 2.2.



policyholder, share a common household, and reside at the same location.

### 3. Multiple insurances

3.1 Provisions of VIS General Terms YY10 on multiple insurance do not apply to individual liability insurance, trauma counselling, leisure time accident insurance, and hospitalization coverage.

### 4. Special limits of liability

4.1 The insurance does not compensate loss or damage or increase thereof that is directly or indirectly the result of or caused by earthquakes, volcanic eruptions, landslides, snow avalanches or other natural disasters.

### 5. Determination of compensation

5.1 The insurance shall only compensate the actual loss or damage of the insured. The insured shall not profit from an insurance event.

### 6. Identification

6.1 In determining its liability, VIS reserves the right to consider the conduct of the insured's spouse or registered domestic partner.<sup>1</sup>

## II. Contents Insurance

### A. Home Contents

#### 7. What is insured?

7.1 The insurance covers personal property that is part of a general household, owned by the insured party, and is not considered a part of the real estate or the standard accessory property to the real estate. This includes:

- General home contents such as furniture, household appliances, decorations, crockery, books, clothing, and bedding, as well as general camping equipment and general leisure equipment.
- Personal belongings, such as glasses and hearing aids.
- Specified contents, i.e. cash, stocks, manuscripts, original drawings, coin- and stamp collections.
- One set of summer or winter tires for each private vehicle registered to the insured. Accessories and spare parts belonging to motorized vehicles, caravans, pop up trailers, campers, or boats owned by the insured. The tires and additional parts must correspond to the type of the respective vehicle.

#### 8. Where is the insurance valid?

- 8.1 The insurance is valid at the registered domicile of the policyholder but also covers:
- General home contents, as per Article 7.1 that are outside the registered domicile of the policyholder in Iceland for up to 90 days. However, coverage of such items is limited to 15% of the home contents value stated in the policy or renewal receipt.
  - Home contents, as per Article 7.1 that are permanently located in storage facilities outside the registered domicile of the policyholder within Iceland. Coverage for such items is limited to 15% of the home contents value stated in the policy or renewal receipt.
  - Home contents, as per Article 7.1, that are stored in storage facilities due to moving or home improvement at the insured residence for up to 12 months from the start of the storage period.

#### 9. 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?	Precautionary rules that the insured must follow:
9.1 Fire, lightning, and explosion	a) Loss or damage caused by fire. <sup>2</sup> b) Loss or damage caused by lightning. c) Loss or damage caused by explosion.	d) Loss or damage resulting from work with explosives during construction.	e) The insured shall ensure that objects are not at risk of damage due to fire or heat.
9.2 Soot	a) Loss or damage caused by soot that emits suddenly and unexpectedly from an approved heating device or fireplace.	b) Loss or damage caused by soot or smoke that has gradually accumulated during use.	

Natural catastrophe insurance of Iceland compensates for various losses to our properties in the aftermath of **natural disasters**. For more details, visit [www.nti.is](http://www.nti.is).

If your personal property is located outside your registered domicile, you need to purchase separate insurance to gain NTÍ protection against natural disasters.

If you own **expensive items** such as jewelry, artwork, a camera, or an expensive bicycle, we recommend that you contact us to insure them separately.

If you need to **move your belongings elsewhere**, such as for relocation, you may need to insure them separately. This depends on the duration and value of the stored items.

<sup>1</sup> According to Article 29 of Act No. 30/2004 on Insurance Contracts.

<sup>2</sup> It is not considered a fire if objects smolder or melt if there is no open flame.



<p><b>9.3 Additional costs for contents damage</b></p>	<p>a) Loss and damage resulting from firefighting and rescue efforts whose objective is to avoid or limit damage covered by the insurance, provided that the efforts are considered specific and justifiable.</p> <p>b) Costs resulting from the necessary transport of home contents or storage in connection with covered damage.</p> <p>c) Items damaged during above efforts.</p>		
<p><b>9.4 Water, steam and oil</b></p>	<p>a) Loss or damage caused by water, steam and oil that suddenly and unexpectedly flows from the plumbing system in the building and originates from within the walls of the building.</p> <p>b) Loss or damage caused by water that suddenly and unexpectedly flows from water beds or fish tanks because of a failure.</p> <p>c) Loss or damage caused by water that flows from sanitary fixtures because of an error or equipment failure.</p> <p>d) Loss or damage caused by freezer or refrigerator leakage, not, however, for the equipment itself if the item is more than 5 years old.</p> <p>e) Loss or damage caused by surface water resulting from sudden downpours or thawing when the volume of water is so great that drainage pipes cannot accommodate it.<sup>3</sup></p>	<p>f) Loss or damage caused by water from external sources, such as groundwater, precipitation, flooding, tides; or damage due to water from balconies, roofs, gutters or drainage pipes connected to these.</p> <p>g) Loss or damage caused by water that is pushed upwards from sewage or drainage pipes, or if sewage pipes suddenly cannot transport all the water channelled to them, with the exception, however, if pipes become clogged or burst indoors.</p>	<p>h) The insured shall ensure that water inflow is closed off in unheated buildings and that water pipes are emptied when there is a risk of freezing temperatures to prevent frost damage.</p> <p>i) The insured shall make sure that drainpipes are operable by clearing away any blockages in order to prevent the damming up of surface water.</p>
<p><b>9.5 Theft</b></p>	<p>a) Loss or damage caused by theft from residential property or storage that is attached to the policyholder's domicile. If a residential property is left unlocked without being unoccupied, the maximum compensation is 5% of the amount of the insurance coverage and does not, under such circumstances, cover the theft of cash, securities, watches, jewelry, manuscripts, original drawings, coin or stamp collections.</p> <p>b) Loss or damage caused by theft from summer house, caravan, hunting/fishing lodge, private boat, private aircraft, garage or storage not attached to residential property, up to 5% of the amount stated in the policy or renewal receipt.</p> <p>c) Loss or damage caused by theft from a car. The maximum compensation is subject to specific terms outlined in Appendix I.</p> <p>d) Loss or damage caused by theft from the property of students under the age of 18 from school premises, limited to a maximum of 5% of the insured amount stated in the policy or renewal receipt. This provision applies only to theft of personal belongings of students and also covers sports halls, recreational centers, and swimming pools on school premises when students are under the supervision of teachers or staff.</p> <p>e) Theft of bicycles, light motorcycles in Category I as defined in the Traffic Act, prams and pushchairs. The maximum compensation is subject to specific terms outlined in Appendix I.</p>		<p>f) All residential buildings, summer cottages, hunting/fishing lodges, garages, storages, cars, boats and aircrafts must be locked, and all windows must be closed and latched. The insured shall ensure that an unlocked residential property is not left unoccupied.</p> <p>g) The insured must lock a bicycle and Category I light motorcycle when he leaves them, and the keys must be stored in a secure location.</p> <p>h) No items other than clothing may be left unattended in clothing racks or lockers in school buildings or other educational facilities, such as gyms and swimming pools.</p>
<p><b>9.6 Robbery</b></p>	<p>a) Loss or damage caused by robbery when the insured items are taken by means of physical violence or the threat of imminent violence.<sup>4</sup></p>		
<p><b>9.7 Vandalism</b></p>	<p>a) Loss or damage caused by intentional vandalism.</p>	<p>b) Loss or damage due to vandalism perpetrated by the insured themselves or by an individual, authorized to be in the insured's home.</p> <p>c) Loss or damage to items that are outdoors in locations other than outside the domicile of the insured.</p>	
<p><b>9.8 Breakage or collapse</b></p>	<p>a) Loss or damage to contents in the insured's domicile due to the sudden and unexpected fall and breakage of items attached to walls or ceilings, such as wall cabinets, shelves, paintings, pictures,</p>	<p>b) Loss or damage to tools, smart devices, eyeglasses, dentures, hearing aids, and watches due to breakage or falling.</p> <p>c) Loss or damage due to the seepage of liquids resulting from a breakage or fall.</p>	<p>a) The insured shall ensure that objects are properly and securely fixed according to user-guides.</p>

<sup>3</sup> In determining liability, it is necessary to take into account whether there has been loss or damage in general to property in the area because of sudden downpour and/or thawing at the time when the insurance event occurred.

<sup>4</sup> According to Article 252 of Act No. 19/1940 on Penal Code.



	ceilings, and wall lights, as well as items that were in or on those items that fell.	d) Loss or damage due to breakage or falling caused by human actions.	
9.9 Traffic accident	a) Loss or damage resulting from a traffic accident to home contents located in the car.		
9.10 Boiling (overheating)	a) Laundry that suffers overheating in a washing machine or tumble dryer if the damage is caused by a failure of the washing machine or tumble dryer. To confirm that there has been a failure, the insured must produce an invoice for the repair together with a fault description report by the repairman.	b) Loss or damage to the washing machine or the tumble dryer.	c) Insured shall ensure that the use of a washing machine and dryer is in accordance with the user-guide.
9.11 Unforeseen stoppage of the cooling system of a freezer or refrigerator	a) Loss or damage to food, due to the unforeseen stoppage of the cooling system of a freezer or refrigerator, provided this results in the destruction of food contained therein. Compensation may amount to up to 2% of the amount stated in the policy or renewal receipt. b) Loss or damage to the freezer or the refrigerator because of unforeseen stoppage of the cooling system of the appliance if it is aged less than 5 years and the seller's warranty does not cover the damage.		c) The insured shall ensure that the use of appliances covered by this section is in compliance with the user-guide.
9.12 Short circuit	a) Loss or damage to electrical equipment due to short circuit of the equipment.	b) Loss or damage to equipment that is more than 10 years old. c) Loss or damage to appliances covered by the seller's warranty. d) Loss or damage caused by electrical power supply malfunction which causes electrical power fluctuations.	e) The insured shall ensure that the use of electrical appliances covered by this section is in compliance with the user-guide.
9.13 Sudden heavy snow	a) Loss or damage caused by sudden heavy snow that has overburdened the roof or walls of a property.	b) Loss or damage that can be attributed to construction defects. c) Loss or damage that can be attributed to inadequate maintenance.	
9.14 Storms	a) Loss or damage due to stormy weather when wind speeds reach 28.5 meters per second. Storm damage to home contents only includes damage occurring within the building when the wind has ruptured the roof, window(s) or other parts of the building. In determining liability, if no recognized wind speed data are available for the location where the damage occurred, consideration shall be given to whether general property damage occurred in the area as a result of inclement weather at the time the insurance event occurred.	b) Loss or damage to items that are outdoor.	
9.15 Aircraft	a) Damage caused by aircraft and objects that fall from them.		

## 10. Determination of compensation

10.1 Compensation should be based on the value on the day of the loss for a new item similar to the damaged one. VIS is allowed to depreciate the item based on factors such as age, use, and other considerations that may affect the item's value. Depreciation rules are stated in the following table:

Type	Depreciate	Depreciation	Maximum depreciation
Smart devices along with accessories	Every 6 months	25%	100%
Computer equipment along with accessories	Every 12 months	20%	100%
Other electrical appliances along with accessories	Every 12 months	20%	70%
Other	Every 12 months	10%	70%

**Depreciation** is 10% on all items unless otherwise specified in the table.

10.2 If it is possible to repair the damaged item so that it returns to a similar condition as before the loss, and if it is cost-effective in the opinion of VIS, VIS may either pay the estimated repair cost or arrange for the repair at VIS's expense. This is considered a full repair even if it can be determined that work has been done on the item.

10.3 If it is not possible to repair the damaged item or it is not considered cost-effective in the opinion of VIS, VIS may either pay compensation in cash or provide a similar item, taking into account depreciation according to Article 10.1. If VIS pays compensation under this provision, it reserves the right to claim the damaged item.

10.4 VIS has the right to compensate the difference in value of the damaged item as it was before the loss and its value after the loss.

10.5 When maximum compensations are specified as a percentage of the insured amount for contents, compensations are calculated after deducting the insured's deductible.



- 10.6 The following limitations apply to the obligation to pay compensations:
- 10.6.1 Tools, equipment, and valuables increase as a percentage\* of the insured amount stated in the policy or renewal receipt, provided that these items are at the insured's registered domicile when the loss occurs.
  - 10.6.2 Special contents as per Article 7.1, paragraph b, increase as a percentage\* of the insured amount stated in the policy or renewal receipt, provided that these items are at the insured's registered domicile when the loss occurs.
  - 10.6.3 Items as per Article 7.1, paragraph d, increase only if they are stored in a garage or other storage facility belonging to the insured's registered domicile. Additional and spare parts for vehicles increase as a percentage\* of the insurance amount stated on the policy or renewal receipt.
  - 10.6.4 Computer data and software are not compensated.
  - 10.6.5 Intangible assets, such as intellectual property and sentimental value, are not compensated.
- 10.7 Stolen items that come to light after VIS has compensated for the loss become the property of VIS and must be returned to VIS. However, the insured can retain the items if they wish by reimbursing VIS for the compensation received.

\*See information about percentage ratio in Appendix I.

## B. Individual Liability Insurance

### 11. Where is the insurance valid?

- 11.1 The insurance is valid in Iceland and on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return home.

### 12. When is the insurance valid?

- 12.1 The insurance covers an insurance event that occurs during the period of insurance.
- 12.2 In the event that the consequences of an occurrence that resulted in loss or damage, and which occurred during the period of insurance, do not materialize until the insurance policy has expired, then VIS will nevertheless pay compensation.
- 12.3 VIS does not compensate for loss or damage resulting from an event that occurred prior to the commencement of the period of insurance even when the loss or damage does not emerge until during the period of insurance.

### 13. What is covered under the insurance?

- 13.1 The insurance compensates:
- a) Direct bodily or property damage to a third party due to liability coverage of insurance that applies to the individual under Icelandic law. With property, it includes real estate and personal property, including animals. The insurance compensates for such losses to the extent that the injured party should not bear the loss themselves on account of shared culpability or shared liability.
  - b) Damage caused by light motorcycles in category I as defined by traffic laws and bicycles that are not subject to insurance coverage according to motor vehicle insurance laws, despite the provisions of Article 14.1, paragraph f, clause i.
  - c) Without prejudice to any statutory tort liability on the part of the insured, direct personal injury or property damage of items belonging to a third party that the insured may cause while playing golf on a golf court or on a practice area by a golf court. For the purposes of this contract, "property" means real estate and personal property, including animals. The insurance will compensate such loss or damage to the extent that the injured party will not have to carry his own loss or damage on account of shared culpability or shared liability.
  - d) Without prejudice to any statutory tort liability, direct physical or property loss or damage of a third party caused by children, aged less than 10 years, that fall under the coverage of this policy. For the purposes of this contract, "property" means real estate and personal property, including animals. The insurance will compensate such loss or damage to the extent that the injured party will not have to carry his own loss or damage on account of shared culpability or shared liability. Insurance coverage pursuant to this Article does not apply when the child is party to a traffic accident or if the loss or damage is in relation to a registered motor vehicle that is in use.
  - e) Without prejudice to any statutory tort liability on the part of the insured, direct

According to Icelandic law, a person is liable for tort damages with respect to any harm which he causes others in a culpable and unlawful manner. This principle is called the **culpa rule**, and it is a basic principle of Icelandic law. If the person who is subject to a litigation claim for tort damages is not culpable, that person will not be liable in tort.

**The purpose of an individual liability insurance** is to pay indemnity for the insured person in the event that he has incurred tort liability, to the extent that the injured party will not have to cover his own loss or damage on account of shared liability or shared accountability, and its purpose is also to pay the cost incurred by the insured party in case a tort claim is made against him.

The insurance does not cover damage that the insured causes to himself or other insured persons.

The term "**third party**" in this context refers to a person who is not covered under this insurance. An example of a third-party damages would be if you or another insured causes damage to a neighbor's property. In this context, the neighbor is considered the "**third party**".



damage of household contents belonging to a third party that the insured may cause as guests in private homes. The insurance will compensate such loss or damage to the extent that the injured party will not have to carry his own loss or damage on account of shared culpability or shared liability.

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

14.1 The insurance does not compensate:

- a) Contractual damage, i.e. loss for which the insured is accountable because of non-fulfilment of contract.
- b) Loss caused by the insured parties to each other.
- c) Loss that occurs because of the occupation of the insured, whether in his/her own business enterprise or remunerative work in the employment of another party. "Occupation" also means extra jobs of any kind which the insured performs in exchange for remuneration.
- d) Loss or damage to items which the insured has the use of, or stores, or which are for any other reason in his custody.
- e) Loss or damage arising from criminal acts or participation in prohibited activities as a result of liability or participation in insurable activities.
- f) Loss or damage for which the insured is responsible because of his/her liability in tort as owner or user of:
  - i. Real estate property, aircraft, boats, motorized vehicles or heavy machinery.
  - ii. Firearms.
  - iii. Horses, dogs, other domestic animals or pets.
- g) Loss or damage resulting from fire, water damage due to firefighting efforts, smoke, soot, or explosion.
- h) Fines, legal expenses, or other costs related to criminal proceedings.
- i) Loss or damage due to air, land, vegetation, sea, or water pollution. However, VIS compensates for such losses if they result from a sudden event.
- j) Loss or damage due to prolonged moisture or water leakage and losses due to mold and fungal growth.
- k) Loss or damage that can be attributed to asbestos or materials containing asbestos in any way.

The risk according to Article 14.1, (f) can be insured separately.

## 15. Precautionary rules

15.1 The insured must fully comply with the applicable laws and regulations at any particular time concerning the manufacture, delivery, transportation, storage or custody of explosives, poison or other similar hazardous materials.

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.

## 16. Insurance amount

16.1 Liability of VIS for each individual loss event is limited to the maximum compensation amount specified in the policy or renewal receipt. If there are multiple loss incidents of the same cause, they are considered to result from a single loss event.

16.2 Expenses incurred with the approval of VIS for the purpose of determining the insured's liability for compensation and interest on the indemnification is paid even when the payment made by VIS would then exceed the amount of insurance coverage specified in the policy or renewal receipt.

16.3 If the amount of insurance coverage specified in the policy or renewal receipt is less than the principal of the indemnification amount, VIS will only pay that portion of the expenses and the interest that corresponds to the indemnification amount that VIS has to pay. However, liability for compensation outside the Nordic countries is limited to the amount of insurance coverage specified in the policy or renewal receipt.

## 17. Determination of compensation for personal injury

17.1 The insurance pays compensation for the personal injury of a third party on the grounds of the Tort Damages Act No. 50/1993.

## 18. Determination of compensation for property loss or damage

18.1 Compensation should be based on the value on the date of loss or damage.

18.2 If it is possible to repair the damaged item so that it returns to a similar condition as before the loss, and if it is cost-effective in the opinion of VIS, VIS may either pay the estimated repair cost or arrange for the repair at VIS's expense.



- 18.3 If it is not possible to repair the damaged item or it is not considered cost-effective in the opinion of VIS, VIS may either pay compensation in cash or provide a similar item. If VIS pays compensation under this provision, it reserves the right to claim ownership of the damaged item.
- 18.4 VIS has the right to compensate the difference in value of the damaged item as it was before the loss and its value after the loss.

## 19. The status of the injured party when loss or damage occurs

- 19.1 If the insurance policy covers the loss or damage of the insured due to his liability in tort, the injured party may demand that VIS pay compensation directly to the injured party. VIS and the insured are under obligation to inform the injured party of any existing liability insurance.
- 19.2 If a claim is presented against VIS for compensation, the insured person must be informed without unreasonable delay and must be provided with information regarding the handling of the claim. VIS acceptance of certain details that concern liability does not constitute a binding commitment on behalf of the insured person.
- 19.3 In the event that the injured party notifies VIS that he intends to bring legal action against it, VIS may demand that the injured party also directs the action against the insured person. VIS shall notify the injured party of its demand without any unnecessary delay and in a verifiable manner.
- 19.4 With respect to the position of the injured person in other respects, reference is made to Article 44 of the Insurance Contracts Act No. 30/2004.

## 20. Handling of compensation claims

- 20.1 The insured is required to seek consultation with VIS regarding their legal status if they are demanded compensation for a loss for which they are considered to be at fault.
- 20.2 The insured person may not accept his liability for compensation or enter into agreements concerning compensation without the approval of VIS.
- 20.3 VIS represents the insured, and handles the processing of the case, and handles the case in the courts of law if necessary. The same applies regarding salvage fees or assistance.

## III. Comprehensive Content Insurance

### 21. What is insured?

- 21.1 The insurance covers general home contents as defined in Article 7.1.
- 21.2 The insurance does not cover losses that are covered under travel insurance in Chapter V, even if full compensation is not paid.

### 22. Where is the insurance valid?

- 22.1 The insurance is valid in Iceland.
- 22.2 The insurance is valid on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return home.

### 23. What is covered under the insurance?

- 23.1 The insurance covers loss or damage caused by sudden and unforeseen external circumstances during the insurance period, which are not recoverable under other provisions of these terms, or which are excluded under Article 24.1 below.

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

- 24.1 The insurance does not compensate:
- Loss or damage resulting from normal wear and tear, as well as loss or damage that only causes visual defects but does not diminish the usefulness of the insured item.
  - Loss or damage resulting from defects, incorrect assembly or internal failure, such as mechanical malfunction.
  - Loss or damage caused by sudden changes in temperature and/or humidity.
  - Loss or damage attributable to mold.
  - Loss or damage due to theft.
  - Loss or damage resulting from the action of scratching and biting or the release of urine and feces from pets.
  - Loss or damage that can be attributed to any kind of vermin.
  - Loss or damage of computer data and software.

Comprehensive content insurance provides better protection against damage to your belongings than the contents insurance in Chapter II.



- i) Sentimental value.
- j) Items if they are lost or misplaced.

## 25. Precautionary rules

- 44.1 The insured shall comply with the manufacturer's instructions regarding the handling, installation, use, and maintenance of the insured item.
- 44.2 The insured shall close windows and latch them and shall lock dwellings, motor vehicles, caravans, boats, and other places where insured property is stored.
- 44.3 The insured shall not leave the insured items unattended in public and shall ensure that he brings the insured items along when leaving a public place.

We especially emphasize the **precautionary rules** of the agreement.

## 26. Determination of compensation

- 26.1 Compensation should be based on the value on the day of the loss for a new item similar to the damaged one. VIS is allowed to depreciate the item based on factors such as age, use, and other considerations that may affect the item's value. Depreciation rules are applied according to Article 10.1.
- 26.2 If it is possible to repair the damaged item so that it returns to a similar condition as before the loss, and if it is cost-effective in the opinion of VIS, VIS may either pay the estimated repair cost or arrange for the repair at VIS's expense. This is considered a full repair even if it can be determined that work has been done on the item.
- 26.3 If it is not possible to repair the damaged item or it is not cost-effective in the opinion of VIS, VIS may either pay compensation in cash or provide a similar item, taking into account depreciation according to Article 10.1. If VIS pays compensation under this provision, it reserves the right to claim the damaged item.
- 26.4 VIS has the right to compensate the difference in value of the damaged item as it was before the loss and its value after the loss.
- 26.5 Intangible assets such as intellectual property and sentimental value are not covered.
- 26.6 The maximum compensation amount for each individual loss, as well as the maximum compensation during the insurance period, are specified in the policy or renewal receipt.

## IV. Family and Leisure

### A. Leisure Time Accident Insurance

## 27. Where is the insurance valid?

- 27.1 The insurance is valid universally.
- 27.2 Notwithstanding the provisions of Article 2, the insurance is valid for students studying abroad if the student keeps his legal address in Iceland.

## 28. The term "accident"

- 28.1 The term "accident" refers to a sudden external event causing personal injury to the insured person and occurring without his consent. In the case of injury to limbs and/or broken teeth, only a sudden event that causes physical injury to the insured and occurs against his will is required.

## 29. What is covered under the insurance?

- 29.1 VIS pays compensation for accidents that the insured incurs during leisure time, in the performance of household chores, unpaid studies or when participating in general sports activities if it leads to:
  - a) Death.
  - b) Permanent disability.
  - c) Temporary loss of work capacity for insured individuals aged 18 and older.
  - d) Broken teeth
- 29.2 VIS also pays medical expenses in Iceland:
  - a) If the costs have resulted from a compensable accident, however not due to a broken tooth.
- 29.3 Medical expenses in Iceland will only be paid against the presentation of a copy of the original invoice. Medical costs in Iceland means costs that are approved by Sjúkratryggingar Íslands (Icelandic Health Insurance).
- 29.4 If the insured has valid bicycle insurance with VIS, the personal accident insurance also applies to training and competition in cycling on the insured bicycle without additional charge,

An example of domestic medical expenses could be costs incurred due to doctor visits, prescription medication expenses, or rehabilitation related to the accident.



despite the exclusions mentioned in Article 30.1, paragraph c.

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

30.1 VÍS does not pay compensation for accidents:

- a) Caused by the use in Iceland of a motor vehicle subject to registration. However, VIS pays compensation for accidents that occur due to a light motorcycle in category I according to traffic regulations.
- b) Caused by the use of a motor vehicle that is registered abroad where there is mandatory insurance for such vehicles against such accidents, or if an existing mandatory fund exists in the country in question that compensates for such accidents.
- c) During participation in competitions or during training sessions in preparation for competitions in any sport if the insured has reached the age of 18 years. Sports refers to individual- and team sports which are trained for regularly under coach supervision connected to a club or an organization which focus on sports competition. Those restrictions do not apply to public participation in competition or practice in golf, street or mountain biking (except downhill races or enduro), triathlon, cross country- or street running.
- d) In fighting, wrestling or self-defense sports where the object of the sport in question is to hit, punch or kick the opponent or to tackle the opponent in any other manner. This exemption, however, does not apply to children under 18 years of age when it comes to competitions or training under the supervision of coaches on behalf of associations or organizations that have sports competitions as their purpose.
- e) In driving sports. This exemption, however, does not apply to children under 17 years of age when it comes to competitions or training under the supervision of coaches on behalf of associations or organizations that have sports competitions as their purpose.
- f) During cliff rappelling and cliff, mountain and ice climbing.
- g) When mountain hiking of any sort higher than 4.000 m above sea level.
- h) When scuba diving with an oxygen tank and during free diving (without oxygen) to a depth greater than 10 m.
- i) During hot-air ballooning and skydiving.
- j) During glider, kite, hang-gliding and ultralight aircraft flights and other comparable activities.
- k) In bungee jumping and base jumping and other comparable activities.
- l) Occurring during flying, unless the insured is a passenger on a scheduled or chartered flight operated by a party having the requisite aviation authority permits.
- m) Occurring during participation in fistfights or a criminal offence.
- n) Occurring due to artificial indoor tanning, medical treatment, surgical procedures or use of medicinal products, unless when the treatment is at the recommendation of a physician for an accident-related injury and carried out at a recognized healthcare institution.
- o) Due to alcohol, substance abuse, addiction, or other stimulants or depressants.
- p) Occurring as a result of toxic gases, unless these have occurred without warning and against the will of the insured.
- q) Occurring during travel directly to and from work.

The risk according to Article 30.1 (c-i) can be insured separately.

**Public participation** in this context refers to competitions and/or training where specific conditions for participation, such as minimum performance requirements, are not established.

### 31. Insurance amount

31.1 The insurance amounts that are specified in the policy or renewal receipt decrease when a certain age is reached and then become specific percentages of the maximum compensation amounts. See the reduction tables in Appendix I.

### 32. Determination of compensation

32.1 Death benefits:

- 32.1.1 If the insured dies as a result of an accident within one year from the date of the accident, death benefits will be paid less any benefits that VIS may have paid to the insured for permanent disability due to the same accident.
- 32.1.2 If the insured has no dependents, only 25% of the accident insurance's death benefits will be paid. A dependent is a child or an adult individual in the care of the insured.
- 32.1.3 The maximum death benefit for children under 18 years of age is 25% of the



- accidental death benefits of the accident insurance.
- 32.1.4 If the insured dies as a result of an accident when more than one year has elapsed from the accident, but before the final disability assessment has been carried out, compensation shall be paid in accordance with the interim disability assessment, with the amount, however, never exceeding the amount which the death benefits would have been.
- 32.1.5 Death benefits will only be paid if the accident is the direct and sole cause of the insured's death. If a disease, debilitation or pathological condition suffered by the insured is a contributing factor to his death, no death benefits will be paid. This applies whether this condition was present when the accident occurred, or arose later, without, however, being a direct and the sole consequence of an accident covered by the insurance.
- 32.1.6 VIS has the right to request that an autopsy be performed on the deceased to ascertain the cause of death and other issues that may affect VIS's liability.
- 32.1.7 Death benefits are paid to the insured person's spouse. In the absence of a spouse, the benefits will be paid to the statutory or testamentary heirs.
- 32.1.8 Death benefits change in proportion to changes in the Consumer Price Index from the accident date to the date of death.
- 32.2 Compensation for permanent disability:
- 32.2.1 If an accident results in the permanent disability of the insured within three years of the accident date, disability compensation will be paid.
- 32.2.2 The disability shall be assessed in terms of percentages of the applicable tables of the Disability Committee on degrees of disability at the time of assessment. The disability assessment shall not take account of the occupation, particular talents or social status of the insured. Accidents which only result in disfigurement shall not be assessed in respect of disability. If there is any likelihood that the condition of the insured may be improved through surgery or other such treatment, the possible improvement that such treatment could involve must be taken into consideration. If the injury of the insured is not included in the disability tables of the Disability Committee, it shall be assessed specifically, having regard to the tables.
- 32.2.3 When assessing permanent disability, the proportionality rule shall be applied as appropriate.
- 32.2.4 Compensation for permanent disability shall be calculated in proportion to the basic disability amount stated in the insurance policy that was in effect on the day of the accident. For each point of disability rating from 26-50% shall have double weight and each point of disability rating from 51% to 75% shall have quadruple weight and each point of disability rating from 76% to 100% shall have six-fold weight. Compensation paid for 100% permanent disability will therefore be 325% of the base amount of insurance coverage.
- 32.2.5 If loss of limb, eyesight or hearing is not total, the disability will be compensated proportionally. If limbs become completely useless, it will be considered as loss thereof. If they are in some respects useful, the disability will be calculated in proportion thereof.
- 32.2.6 Loss or further disablement of a limb or organ which was useless prior to the accident does not give rise to entitlement to benefits for permanent disability. As regards the loss or deformity of a limb or organ which was already deformed prior to the accident, the disability shall be assessed taking into account the deformity prior to the accident.
- 32.2.7 Medical records indicating the permanent consequences of the accident shall be assessed by VIS personnel, considering the Disability Assessment Committee's disability table. If VIS's personnel deem it necessary, VIS may seek an assessment from an external specialist regarding the consequences of the accident.
- 32.2.8 The insured must request an assessment by VIS in accordance with Article 32.2.7 no later than three years after the date of the accident; otherwise, the insured's right to compensation under the insurance policy shall be forfeited.
- 32.2.9 Compensation for permanent disability shall change in direct proportion to changes in the Consumer Price Index from the accident date to the date of settlement. However, the indexation of permanent disability compensation shall never extend beyond three years from the date of the accident.
- 32.3 Compensation for temporary loss of work capacity:
- 32.3.1 If the insured person suffers a temporary loss of work capacity due to an accident, VIS pays daily benefits. The daily benefits are paid in proportion to the loss of work capacity from the end of the waiting period and for as long as the insured is unable to work, as determined by a doctor, or until the loss of work capacity has become

**Compensations for permanent disability** are financial compensations for losses that are not monetary. The same compensations are paid to individuals regardless of age, employment status, and social position.



permanent according to a doctor's certificate or disability assessment. Daily benefits are paid for a maximum of 52 weeks, excluding the waiting period, as specified in the policy or renewal receipt, and not beyond a period of 3 years from the date of the accident.

- 32.3.2 The waiting period refers to the period that must pass from the date of the accident, as specified in the policy or renewal receipt, until the payment of daily benefits begins. No daily benefits are paid during this waiting period.
- 32.3.3 VIS makes a determination regarding the payment of daily benefits based on medical certificates and other documentation on record.
- 32.3.4 If the loss of work capacity by the insured is partly the result of factors other than the accident, the daily benefits will be reduced in proportion to the contribution of such factors to the loss of work capacity.
- 32.3.5 VIS will not compensate temporary loss of work capacity that is less than 50% of normal work capacity.
- 32.3.6 Daily benefits change in direct proportion to changes in the Consumer Price Index from the date of the accident while the loss of work capacity persists.
- 32.3.7 Daily benefits are paid at the end of each month.
- 32.4 Compensation for broken teeth:
  - 32.4.1 VIS pays for repairs to healthy and well repaired teeth that are broken or damaged in an accident.
  - 32.4.2 VIS does not, however, compensate broken teeth occurring in a work-related accident, cf. the Social Security Act, or broken teeth that break while the insured is eating.
- 32.5 VIS may have a physician of its choice examine the insured.
- 32.6 VIS is entitled to gather information on the earlier health of the insured after having obtained the approval of the insured.
- 32.7 VIS pays the cost of necessary medical certificates in connection with an insurance event when such certificates are obtained at the request of VIS.

### **33. Changes and aids cost due to an accident**

- 33.1 The insurance pays cost of necessary changes to the insured's residence and/or necessary aids or devices in the aftermath of an accident that is liable from the leisure time accident insurance and results in permanent disability.
- 33.2 All changes and purchases of aids should be done in consultation with VIS.
- 33.3 When claiming compensation, a receipt must be submitted. The receipt should specify the modifications made to the residence and the type of aids or devices purchased.
- 33.4 VIS does not pay compensation for expenses incurred more than 6 months after the payment of disability compensation.
- 33.5 The maximum compensation amount for each insured person in each loss event is specified in the policy or renewal receipt. Compensation is paid only once for each insured individual.

## ***B. Emergency Assistance for Domestic Violence***

### **34. Where is the insurance valid?**

- 34.1 The insurance is valid in Iceland.
- 34.2 The insurance is valid on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return back home.

### **35. What is covered under the insurance?**

- 35.1 VIS provides compensation for the purchase of necessities if the insured needs to change their circumstances due to domestic violence.
- 35.2 Compensation is conditional upon confirmation from a professional that the insured is leaving a situation of domestic violence.

### **36. Insurance amount**

- 36.1 The maximum compensation per claim event is ISK 200,000 per month. However, compensation will not be paid for more than 3 months per insurance period.

## ***C. Trauma Counselling***

### **37. Where is the insurance valid?**



- 37.1 The insurance is valid in Iceland.
- 37.2 The insurance is valid on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return back home.

### 38. What is covered under the insurance?

- 38.1 VIS pays for trauma counselling for the insured if:
- The home of the insured is burglarized.
  - The home of the insured is significantly damaged.
  - When insured items are taken from the insured, i.e. when taken by violent means or the threat of imminent violence.<sup>5</sup>
  - One of the insured suffers a serious accident.
  - One of the insured experiences domestic violence.
- 38.2 A precondition for liability is that the loss or damage incident(s) that cause the insured to need trauma counselling is compensable and paid in accordance with any section of this insurance.

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

- 39.1 VIS does not pay for loss or damage that occurred before the insured gained insurance protection as regards trauma counselling.

### 40. Determination of compensation

- 40.1 VIS pays the cost of up to four hours of counselling treatment in the facility of treatment entities in Iceland. The treatment must be completed within 12 months from the event.
- 40.2 VIS pays only the cost of the interviews, while other costs, such as travel expenses, are not paid.
- 40.3 The maximum compensation limits specified in the policy or renewal receipt apply to each insured person in each loss event.

## D. Hospitalization Coverage

### 41. Where is the insurance valid?

- 41.1 The insurance is valid in Iceland and on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return home.

### 42. What is covered under the insurance?

- 42.1 The insurance provides daily benefits if the insured has to stay continuously in a hospital due to illness, sickness, or injury. The hospitalization must be confirmed by a doctor and deemed medically necessary. Compensation is not provided for shorter stays than specified in the policy or renewal receipt. Compensation is only provided if hospitalization occurs during the validity period of the insurance.
- 42.1.1 If the insured is a child under 18 years of age who is covered by the insurance, compensation is paid to one guardian.
- 42.2 The maximum compensation period, during each insurance period, for the same illness, sickness, or injury is specified in the policy or renewal receipt. Diseases with medical connections are considered one and the same medical case.
- 42.2.1 If compensation has been paid according to Article 42.1.1 and the child returns to the hospital within twelve months from the end of the previous hospitalization for the same illness or injury, the guardian is entitled to compensation from the day of re-hospitalization if the maximum compensation period has not been exhausted.
- 42.3 Costs for necessary medical certificates related to the loss event are reimbursed when requested by VIS.

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

- 43.1 VIS does not pay compensation for:
- Diseases or illnesses that first displayed symptoms before the insurance was purchased or the insured became covered by the insurance.

<sup>5</sup> See Article 252 of Act No. 19/1940 on General Penal Code.



- b) Accidents that occurred before the insurance was purchased or the insured became covered by the insurance.
- c) Hospitalizations that begin within 90 days after the insurance was purchased or the insured became covered by the insurance, unless the hospitalization is due to an accident.
- d) Birth defects or illnesses that are present at birth or diagnosed within three months after birth.
- e) Any form of anxiety, mental illness, or neurological disorders.
- f) Pregnancy or childbirth (except as a result of an accident).
- g) Rehabilitation center admissions.
- h) Metabolic and obesity surgeries.
- i) Substance abuse, alcohol, narcotics, or any other drugs and illnesses or accidents that can be directly or indirectly attributed to the use of the aforementioned substances.
- j) Accidents suffered by the insured and which are excluded in Article 30.1. (c – m).
- k) Cosmetic or corrective surgeries, except corrective surgeries due to accidents that occurred during the insurance period.
- l) Infectious diseases that require isolation or quarantine by law.
- m) HIV virus (AIDS) or the consequences of that infection or any other diseases, drugs, or conditions that lead to immunodeficiency.

#### 44. Determination of compensation

44.1 Before a decision can be made regarding compensation for illness, sickness, or injury, a medical certificate detailing when the illness was first diagnosed, the onset of sickness, or when and how the accident occurred must be provided.

44.2 Compensation is paid upon submission of written confirmation from a specialist physician at the hospital where the insured stayed, detailing the length of hospitalization and the reasons for it.

44.3 Compensation is paid in one lump sum when the hospital stay is completed.

#### 45. Age limits

45.1 The insurance is valid until the insured reaches the age of 60.

### E. Legal Expenses Insurance

#### 46. Where is the insurance valid?

46.1 The insurance is valid in Iceland and on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return home.

#### 47. When is the insurance valid?

47.1 The insurance covers disputes that arise during the period of insurance, provided the insurance has been in force for at least two consecutive years. If the insured has been similarly insured with another company, that insurance will be taken into account.

47.2 The insurance also covers disputes if:

47.2.1 Events or circumstances that form the basis of the claim have occurred after the insurance became effective.

47.2.2 The insured no longer has legal expense insurance or a similar insurance when the dispute arises if the insurance has been in effect when those events or circumstances forming the basis of the claim occurred and not more than 4 years have passed since the event or circumstance.

#### 48. What is covered under the insurance?

48.1 The insurance covers legal expenses related to a dispute concerning the insured as an individual and that may come before a district court, before Landsréttur Appeal Court, or before the Supreme Court in Iceland and is resolved with a judgment, ruling or settlement according to Article 109 of Act No. 91/1991 on Civil Proceedings. If the dispute is of such a nature that it cannot be brought before a court of law except on the conclusion of legal action in another arena, the insurance covers only the costs incurred on the conclusion of such legal action. The insurance also covers a retrial, if it is authorized, and the conditions of Article 47 are fulfilled. The insured is required to seek legal aid except when it is obvious that he does

The purpose of the legal expenses insurance is to pay legal costs incurred in civil suits.



not meet the conditions.

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

49.1 The insurance does not cover legal expenses:

- a) In criminal cases.
- b) Disputes or actions that can only be submitted to be ruled upon by the executive branch or by special courts.
- c) Cases concerning legal divorce or cases that may arise in connection with divorce cases. The same applies to cases regarding legal separation and other matters concerning disputes about the custody of children and access rights and paternity suits.
- d) In connection with the insured's occupation or performance in an official capacity.
- e) Concerning commitments into which the insured has entered including third party collateral in real estate.
- f) Concerning financial measures that are unusual or on an exceptionally large scale for an individual or exist because one individual provides guarantees for another.
- g) Concerning claims or other demands that have been assigned to the insured.
- h) Concerning the insured as the owner of real estate property.
- i) Concerning the insured as the owner, user or operator of a motor vehicle, caravan, trailer-tent or other trailer, aircraft, ship, steamship, motorboat or sailboat including all financial commitments relating to these affects.
- j) Concerning compensation or other claims concerning conduct leading to suspicion or indictment against the insured because of a culpable offence.
- k) Concerning cases involving bills of exchange against the insured where the claim is uncontested or incontestable.
- l) If there are no legitimate interests served by obtaining a judgement in the case. Such interests would not be considered to be present, for instance, if an application for legal aid has for some reason been denied or the granting of legal aid has been cancelled.
- m) Concerning a dispute between the insured and VIS.
- n) Concerning cases relating to bankruptcy agreements or composition where the insured is insolvent or seeks composition.

#### 50. Choice of litigation lawyer

50.1 It is a pre-condition for liability for compensation that the insured has sought the assistance of an attorney who will take the case. The insured appoints an attorney from among the members of the Icelandic Bar Association. An attorney may not represent himself without the consent of VIS.

50.2 The attorney shall notify VIS when they have taken on the case before further action is initiated in it. However, the attorney can proceed in the matter that cannot tolerate delay.

#### 51. Determination of compensation

51.1 VIS will, in connection with each case of loss or damage, pay the necessary and reasonable legal fees and legal costs that the insured cannot reclaim from the opposing party or from the state. This means i.e., that VIS does not pay if the insured surrenders the opportunity to collect the legal costs from the counterparty with or without legal action.

51.2 It is to be considered a single case of loss or damage if the insured parties proceed jointly in a legal dispute or litigation. If the insured is involved in further legal disputes, then such disputes shall be considered to be a single case of loss or damage provided that the asserted claims arise essentially from the same facts.

51.3 If a legal dispute arises concerning the reasonableness of a attorney's remuneration, the insured is required to bring the dispute before the Lawyers' Disciplinary Committee of the Icelandic Bar Association in accordance with Article 26 of the Lawyers Act No. 77/1998.

51.4 VIS pays:

- a) Attorney's fees and expenses.
- b) The cost of producing opinion reports, if the insured's lawyer requests an opinion report before the matter goes to court or if it is clear that a judgment will not be forthcoming without such an opinion report.
- c) Costs incurred by the testifying of witnesses or in presenting other evidence before courts of law.



- d) Court expenses.
- e) Legal costs that the insured is ordered by the court to pay to the opposing party at the conclusion of the case.
- f) Legal costs that the insured agrees to pay to the opposing party as part of a court settlement when it is clear that the court would have imposed higher legal costs if the case had proceeded.

#### 51.5 VIS does not pay:

- a) The insured's own work, loss of earnings, travel and accommodation expenses or other expenses of the insured.
- b) The enforcement of a judgement, ruling or settlement.
- c) Additional costs incurred by appointing extra attorneys or by replacing attorneys.
- d) Additional costs resulting from the insured or his attorney being guilty of negligence in the conduct of the case or having, in any other respect, exhibited negligence.
- e) Higher compensation for legal costs than the amount of the claim, if stated, otherwise the equivalent of the amount of the interests under dispute. The compensation paid, however, will never be higher than the amount of insurance coverage stated on the policy or renewal receipt.

## 52. Insurance amount

52.1 In the event that the same attorney and/or same law firm accepts a case where five or more insured parties have the same legally protected interests and their legal proceedings fulfil the conditions provided for in Act No. 91/1991 on Civil Procedure as regards joinder of parties and/or class action, than VIS will not pay a greater proportion of the insurance amount of the legal costs stated on the insurance policy or renewal receipt than are stated in the following table:

Number	Proportion
5-15	80%
16-30	65%
31-50	40%
51+	30%

## 53. Recourse

53.1 Insofar as compensation under this insurance has been paid, VIS will acquire the right of the insured to receive legal expenses from the opposing party or from the state.

## V. Travel Insurance

### 54. Where and when is the insurance valid?

54.1 The insurance is valid on travels abroad for up to 92 consecutive days from the day of departure from Iceland and return home:

- a) During leisure time.
- b) During academic study.
- c) During work, paid or unpaid, if this involves business meetings, office work, conferences or theoretical courses.

### 55. Insurance amount and deductible

55.1 The maximum compensation amount for each insured person in each loss event is specified in the policy or renewal receipt.

55.2 The deductible for each insured person in each loss event is specified in the policy or renewal receipt.

### 56. Travel cancellations

56.1 The insurance covers travel expenses that have been paid for in advance or have been subject to a prepayment agreement and which are non-refundable, if the insured is unable to travel for one of the following reasons:

- a) A serious accident or sudden illness suffered by the insured that is confirmed by a certificate from a physician stating that the insured is not able to travel. The same applies if the insured dies prior to the trip.

If you are **studying or working abroad** for longer than 92 days, you can contact VIS and insure yourself specifically.

If you are **volunteering abroad** in practical work, the travel insurance does not cover it, but you can purchase separate insurance.

**Travel cancellations** applies when one of the insured is unable to make the trip due to specific reasons which you can learn more about here.



- b) The death, serious accident or sudden serious illness of a spouse, children, children's children, parents, grandfather, grandmother, parents-in-law, children-in-law or siblings of the person insured.
- c) Substantial property damage to the insured's home or private business which necessitates the presence of the insured. VIS must be consulted as to whether it is necessary to cancel a trip.
- d) Government quarantine.
- e) Summons to the insured to testify in court.
- f) Work that the insured cannot avoid performing according to legal provisions on mandatory quarantine.
- g) The insured not being able to travel due to government restrictions caused by an epidemic.

56.2 The insurance does not compensate pre-paid travel expenses due to:

- a) A disease, treatment or illness that was pre-existing prior to the purchase of the insurance or which existed when the travel costs were paid.
- b) Because of diseases occurring during the ninth month of pregnancy.
- c) A serious accident that occurred before the insurance was purchased or had already occurred when the travel costs were paid.
- d) Accidents suffered by the insured, and which are exempted in Article 30.1 paragraphs c-m.
- e) Parties other than those covered by the insurance under Article 2.
- f) Obligations towards a carrier, travel agency, hotel or tenants when no payments have been made.
- g) Loss or damage caused by neglecting to inform a travel agency or the entity organizing the transportation craft or accommodation that it was necessary to cancel the journey.
- h) Airport taxes and other charges that may be collected from carriers.

56.3 If the insured pays a special cancellation fee or a similar charge to a travel agent, no compensation will be paid from this insurance.

## 57. Medical expenses and accidents while traveling abroad

57.1 If the insured sustains an accident, becomes ill or dies while travelling abroad, the insurance will pay compensation for:

57.1.1 Medical expenses:

- a) Hospitalization abroad, including medical assistance, medicinal products and other services provided by the hospital. The stay and treatment must be ordered by a physician, and the payment shall be based on a general hospital in the country in question.
- b) Medical assistance and medicinal products recommended by a physician.
- c) Pain relieving dental repair in an emergency. The maximum compensation for dental repair is 1% of the maximum amount of insurance cover for medical expenses.

57.1.2 Extra costs:

- a) Extra expenses for special hotel accommodation when the physician is of the opinion that treatment can take place in a hotel. These expenses include, e.g., nursing costs and medically recommended diet. The maximum compensation per 24 hours for such cost is 1% of the maximum amount of insurance coverage for medical expenses.
- b) Extra expenses for the return trip, or travel to return to a predetermined travel schedule due to delays caused by the hospitalization of the insured at the recommendation of a physician.

57.1.3 Patient transport:

- a) If the physician who has attended the insured because of illness or accident during travel is of the opinion that travel back home is necessary and that normal means of travel are adequate, his written confirmation will suffice for VIS. In such cases, extra expenses for the travel home, such as an extra seat, more expensive seat, etc. will be paid. If the illness or accident is so serious that the physician is of the opinion that the insured must be transported home in another manner, it must be carried out in consultation with SOS International and VIS.

57.1.4 Transport of the deceased.

- a) In the event of the death of the insured during his travel, VIS will pay for the

Serious accidents or illnesses must be notified to **SOS International** as soon as possible. SOS International emergency services are available 24 hours a day, all year round.

Telephone in Denmark (45) 3848 8080.

Email [sos@sos.dk](mailto:sos@sos.dk).

Website [www.sos.dk](http://www.sos.dk)



transportation of the deceased as well as the additional cost for his travel companion as well as costs resulting from mandatory arrangements that have to be made.

57.2 The insurance does not pay:

- a) Medical expenses because of diseases occurring during the ninth (9) month of pregnancy, during childbirth or abortion.
- b) Medical expenses because of chronic diseases and accidents for which the insured has received medical assistance or treatment during the past twelve (12) months before the confirmation fee payment. Treatment includes various forms of care aimed at improving or maintaining physical or mental health, such as medical procedures, medication, rehabilitation, counselling, consultations, special diets, and unconventional medical treatment. The clause does not apply to the transportation of a deceased to Iceland.
- c) Medical expenses for elective medical and cosmetic procedures abroad.
- d) Medication costs for drugs that the insured has been using on a regular basis before the trip commenced.
- e) Medical expenses for continued medical treatment if the insured refuses to be repatriated despite the advice of a physician who has treated them and the opinion of SOS International.
- f) Medical expenses for more than three months on account of medical treatment abroad.
- g) Cost of drugs without medical advice, prosthetic limbs and false teeth, spectacles, eye lenses, hearing aids and other comparable aids.
- h) Medical expenses because of illnesses or accidents that are excluded according to Article 30.1. However, VIS will pay costs relating to the illness, accident or death of the insured due to a motor vehicle subject to mandatory registration.

## 58. Travel expenses of other parties

58.1 The insurance will pay the necessary travel and accommodation expenses of:

- a) A relative or friend of the insured who stays with the insured or accompanies the insured back home on the advice of a physician and in consultation with SOS International or VIS, due to a serious accident or illness of the insured.
- b) A close relative or friend of the insured from Iceland and back home, in consultation with SOS International or VIS, due to a serious accident or illness of the insured.

58.2 The maximum compensation for travel expenses of other parties is 10% of the maximum amount of insurance cover for medical expenses.

**Accommodation costs** include expenses for lodging, travel, and other necessary expenses as determined by VIS. Food expenses are not considered part of accommodation costs.

## 59. Reimbursement of a trip

59.1 If a holiday trip is cut short due to the instruction of a physician before the trip has reached its half point or if the insured has stayed in a hospital for at least half the travel period, VIS pays the cost of the patient's trip. If a trip is cut short without the above conditions being met, VIS pays neither for the unused part of the travel expenses nor for a new trip overseas to replace the trip which was abandoned.

59.2 The maximum compensation for reimbursement of a trip is 10% of the maximum amount of insurance cover for medical expenses.

**Reimbursement of a trip** may apply when the trip is interrupted, either because the insured must return home earlier than planned or because of hospitalization.

## 60. Trip interruption

60.1 The insurance will pay necessary additional expenses for the return to Iceland if the insured is forced to shorten their stay abroad due to:

- a) The death, serious accident or sudden serious illness of a spouse, children, children's children, parents, grandfather, grandmother, parents-in-law, children-in-law or siblings of the person insured.
- b) Substantial property damage to the insured's home or private business which necessitates the presence of the insured. VIS must be consulted as to whether it is necessary to cancel a trip.

60.2 The maximum compensation for trip interruption is 10% of the maximum amount of insurance cover for medical expenses.

**Trip interruption** applies when the insured needs to shorten a trip due to incidents that occur in Iceland.

## 61. Luggage insurance

61.1 The insurance covers personal property that the insured person carries with them while traveling.



- 61.2 The insurance does not cover cash, bonds or other securities, manuscripts and stamps.
- 61.3 The insurance compensates for losses that occur to the insured luggage:
- Caused by fire.
  - Due to theft from residences, cars, caravans and boats.
  - Caused by robbery.
  - Caused by transport accidents.
  - If the luggage is totally lost during transport.
  - Caused by vandalism.
- 61.4 The insurance does not compensate:
- Loss of fragile items such as smart devices, laptops, cameras, spectacles, ceramics and glassware, unless the loss or damage is caused by fire, theft or because of an accident to the means of transport, or because of a collision between vehicles and the loss cannot be compensated according to law under the liability insurance for these items.
  - Damage to suitcases and other protective bags.
  - Loss to items because of scratches, dents or mashes if this does not impair their utility.
  - Loss to items if they are torn or damaged by use, e.g., clothing, skis and other sports equipment.
  - Loss that is caused by normal wear and tear or defect, or damage caused by harmful bugs e.g., moths.
  - Internal damage, such as mechanical breakdowns, short circuits and other damage to electrical systems.
  - Loss because of confiscation, the freezing of assets and similar actions by government entities.
  - Loss of computer data and software.
  - Intangible assets such as intellectual property and sentimental value are not covered.

## 62. Baggage delay

- 62.1 If the insured does not receive their checked-in baggage within 12 hours of arrival to their destination, due to delay or handling error, compensation will be paid for the purchase of necessities.
- 62.2 Compensation is limited to three insured persons for each insured event.
- 62.3 The insurance does not pay:
- Compensation for delayed luggage that become apparent after arriving in Iceland.
  - Compensation if the baggage delay is discovered within the same 24-hour period of the completion of the travel in Iceland.

## 63. Precautionary rules

- 63.1 The insured shall close windows and latch them and shall lock dwellings, motor vehicles, caravans and boats where insured property is stored.
- 63.2 The insured shall not leave the insured items unattended in public and shall ensure that he brings the insured items along when leaving a public place.
- 63.3 The insured shall ensure that the insured property is packaged in appropriate and sufficient packaging so that it can withstand the transport.
- 63.4 The insured shall organize his travel arrangements so that the time between connecting flights is not less than the minimum stipulated by the airline/airport in question and note of which is made in travel booking.

## 64. Notification of loss or damage to airlines

- 64.1 If baggage is damaged or lost during a flight or while in the custody of the airline, the insured is required to report the damages/loss immediately upon landing or within 7 days to the airline's baggage service office by filing a Property Irregularity Report (P.I.R. report). The insured should provide a copy of this report, along with receipts indicating whether and how much compensation was received from the airline, when reporting the loss to VIS.
- 64.2 In case of delayed baggage delivery, the insured is required to provide confirmation from the airline specifying the duration of the delay.

## 65. Determination of compensation

- 65.1 Compensation for travel cancellations is based on the total amount the insured has paid for



their prepaid travel.

- 65.2 Compensation for medical expenses or accidents during the trip is paid based on the invoices.
- 65.3 Compensation for luggage insurance is determined as follows:
  - 65.3.1 Compensation should be based on the value on the day of the loss for a new item similar to the damaged one. VIS is allowed to depreciate the item based on factors such as age, use, and other considerations that may affect the item's value. Depreciation rules are applied according to Article 10.1.
  - 65.3.2 If it is possible to repair the damaged item so that it returns to a similar condition as before the loss, and if it is cost-effective in the opinion of VIS, VIS may either pay the estimated repair cost or arrange for the repair at VIS's expense.
  - 65.3.3 If it is not possible to repair the damaged item or it is not considered cost-effective in the opinion of VIS, VIS may either pay compensation in cash or provide a similar item, taking into account depreciation according to Article 10.1. If VIS pays compensation under this provision, it reserves the right to claim the damaged item.
  - 65.3.4 VIS has the right to compensate the difference in value of the damaged item as it was before the loss and its value after the loss.
  - 65.3.5 Watches and jewellery are compensated up to a maximum of 5% of the maximum amount specified in the insurance policy or renewal receipt as per Chapter II, Section A.
  - 65.3.6 The compensation amount specified in the insurance policy or renewal receipt is divided proportionally among the insured on foreign trips, with the limitation that the maximum compensation amount for each insured is 10% of the compensation amount for home content. However, the total compensation amount for all insured individuals can never exceed the amount specified in the policy or renewal receipt.
  - 65.3.7 Stolen items that come to light after VIS has compensated for the loss become the property of VIS and must be returned to VIS. However, the insured can retain the items if they wish by reimbursing VIS for the compensation received.

**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.**



## Appendix I – Limitations on Insurance Amounts

Hereafter, limitations on insurance amounts are specified that do not appear in the policy terms, the policy or in the renewal receipt. Maximum benefits depend on the insurance amounts chosen at the time of policy issuance.

**Contents Insurance** (Chapter II, Section A of the policy terms) – maximum benefits for each loss event according to Article 9.5:

The type of contents	Traditional insurance amounts	Better insurance amounts
Theft from a car	200.000 ISK	450.000 ISK
Theft of bicycles, light motorcycles in Category I as defined in the Traffic Act, prams and pushchairs.	200.000 ISK	450.000 ISK

**Contents Insurance** (Chapter II, Section A of the policy terms) – maximum benefits for each loss event according to Article 10.6:

The type of contents	Traditional insurance amounts – Percentage	Better insurance amounts – Percentage
Watches and jewellery	5%	10%
Specified contents according to subsection C of Article 7.1	1%	2%
Tools and spare parts	5%	5%
Accessories and spare parts for vehicles	2%	2%

**Leisure Time Accident Insurance** (Chapter IV, Section A of the policy terms) – age-related limitations as per Article 31:

When the following ages are reached, insurance amounts for death benefits and benefits for temporary loss of work capacity will be reduced to the following percentages of the maximum benefits amounts stated in the policy or the renewal receipt:

Traditional insurance amounts	Better insurance amounts	Percentage
70 years old	70 years old	80%
71 year old	71 year old	60%
72 years old	72 years old	50%
73 years old	73 years old	40%
74 years old	74 years old	40%
75 years old	75 years old	30%
76 years old	76 years old	30%
77 years old and older	77 years old and older	20%

When the following ages are reached, insurance amounts for permanent disability benefits will be reduced to the following percentages of the maximum benefit amounts stated in the policy or the renewal receipt:

Traditional insurance amounts	Better insurance amounts	Percentage
60 to 62 years old	---	95%
63 to 64 years old	---	90%
65 to 66 years old	---	85%
---	70 years old	80%
67 to 68 years old	---	70%
69 to 70 years old	71 year old	60%
71 to 72 years old	72 years old	50%
73 to 74 years old	73 to 74 years old	40%
75 to 76 years old	75 to 76 years old	30%
77 years old and older	77 years old and older	20%