



Summer House Insurance

Insurance Terms No. GF30

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. GF30.
- 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.

Summer House Insurance is for every summer house owner who wants to insure his property well.

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

1. Included coverages

- 1.1 Insurance according to Chapters III to VII is included if specified in the certificate or renewal receipt:

Chapter	Name of Insurance	What's Included
II. Chapter	Fire Insurance	Always included
III. Chapter	Additional Fire Insurance	Optional
IV. Chapter	Home Contents Insurance	Optional
V. Chapter	Vacation Equipment Insurance	Optional – can only be added if Home Contents Insurance is selected
VI. Chapter	Homeowner's Insurance	Optional
	Deck and Others	Optional – can only be added if Homeowner's Insurance is selected
	Detached House	Optional – can only be added if Homeowner's Insurance is selected
	Hot Tub	Optional – can only be added if Homeowner's Insurance is selected
VII. Chapter	Liability Insurance	If Homeowner's Insurance is selected, liability insurance is included

2. Who is insured?

- 2.1 The owner of the summer house is insured.
- 2.2 In the Home Contents Insurance (Chapter IV) and Vacation Equipment Insurance (Chapter V), the insured also include the spouse or cohabiting partner of the policyholder and their unmarried children, including foster children, provided they have the same legal residence in Iceland as the policyholder, share a common household, and live at the same location.
- 2.3 Holders of registered property rights, mortgage rights, or other registered insurance rights in the summer house are co-insured in the fire insurance for summer houses (Chapter II).¹

3. When does the insurance take effect and when does it end?

- 3.1 Despite Article 2 in the general terms of VÍS No. YY10, the fire insurance for summer houses (Chapter II) takes effect when VÍS has verifiably received the insurance application, provided that there is a request for a fire damage assessment of the property. The same applies to the effective date of reassessments. VÍS is not allowed to cancel the fire insurance unless there is confirmation that the homeowner has taken out new insurance with another company.
- 3.2 Liability insurance (Chapter V, subsection a) covers incidents that occur during the insurance period. If the consequences of an incident causing damage that occurred during the insurance period do not become apparent until after the insurance has expired, VÍS will still pay compensation. VÍS does not pay compensation for damage due to incidents that occurred before the insurance period began, even if the damage

¹According to Articles 39 and 41-43 of Act No. 30/2004 on Insurance Contracts.



only becomes apparent during the insurance period.

4. Where is the insurance valid?

- 4.1 The insurance is valid at the location specified in the certificate or renewal receipt.
- 4.2 Home Contents Insurance (Chapter IV) and Vacation Equipment Insurance (Chapter V) apply to the summer house specified in the certificate or renewal receipt. The insurance also covers extensions to the insured summer house and standalone buildings on the plot of the insured summer house.

5. Special limits of liability

- 5.1 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 rules²

- 6.1 The insured must ensure that all arrangements and fire protection measures on and around the insured property comply with the applicable laws and regulations.
- 6.2 The insured must ensure that items are not exposed to fire or heat risk.
- 6.3 The insured must ensure that pipes and plumbing are always protected against weather and frost.
- 6.4 The insured must ensure that the water supply is shut off in unheated houses and that water pipes are drained when there is a risk of frost to prevent frost damage. If an electric hot tub is turned off, the insured must ensure that its water pipes are drained when there is a risk of frost.
- 6.5 The insured must ensure that drains are in good condition by clearing them to prevent surface water accumulation.
- 6.6 The summer house, extensions, and other buildings on the summer house plot must be locked, and all windows must be closed and latched.
- 6.7 The insured must ensure that items are properly and securely fastened according to the usage instructions.
- 6.8 The insured must ensure that electrical appliances, including refrigerators, freezers, washing machines, and dryers, are used according to their instructions.
- 6.9 The insured must ensure that the hot tub cover is securely fastened by closing and latching or fastening it in another way when there is a risk of a storm.
- 6.10 The insured must fully comply with the laws and regulations in force at any time concerning the production, delivery, transport, storage, or preservation of explosives, poisons, or other similarly dangerous substances.

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 to the type or use of the summer house that may increase the risk of damage must be reported to VÍS immediately. Failure to report such changes may result in VÍS limiting or voiding its liability.³

8. Conduct of others

- 8.1 When determining liability, VÍS may consider the conduct of the insured's spouse and any individual with whom they are in a permanent cohabiting relationship.⁴
- 8.2 When the summer house is rented out for a fee, VÍS may consider the conduct of the tenant and those occupying the summer house on the tenant's behalf.
- 8.3 In business operations, VÍS may consider the conduct of the insured's managers and supervisors responsible for the insured property.

9. Insurance amount

- 9.1 The following special provisions on the insurance amount apply to specific chapters of the insurance:
 - 9.1.1 For Fire Insurance (Chapter II), the following applies:
 - 9.1.1.1. The insurance amount for the summer house must equal its fire damage assessment according to the property registry at all times.
 - 9.1.1.2. If the summer house has been enlarged or improved beyond ordinary maintenance, the insured must have it reassessed, no later than four weeks after the enlargement or improvement is completed. The insured must also request a reassessment if they believe the insurance amount does not reflect the true value of the summer house considering

² See the provisions on violation of precautionary rules in the VÍS General Terms and Conditions YY10.

³ According to Article 24 of Act No. 30/2004 on Insurance Contracts.

⁴ According to Article 29 of Act No. 30/2004 on Insurance Contracts.



construction costs, type, age, and condition.

- 9.1.1.3. The insured is allowed to request a new fire damage assessment for the summer house at any time, at their own expense. If there is a disagreement between VÍS and the insured about the amount of the fire damage assessment, VÍS may also request a reassessment. This reassessment is at VÍS's expense if the previous assessment is confirmed.
- 9.1.1.4. The insurance amounts shall be adjusted annually according to the rules of the fire damage assessment in force at any given time. The insurance amount will be adjusted monthly according to the construction cost index.⁵
- 9.1.2 For the Additional Fire Insurance (Chapter III), the following applies:
 - 9.1.2.1. The insured amount is determined by agreement between the insured and VÍS. This insured amount is in addition to the fire insurance valuation under the mandatory fire insurance for buildings.
 - 9.1.2.2. The insured amount does not constitute proof of the value of the summer house, and the total compensation from the mandatory fire insurance for the summer house and the Additional Fire Insurance shall never exceed the assessed repair cost, cf. Article 21.
 - 9.1.2.3. The insured amount is adjusted in accordance with the construction cost index upon renewal.
- 9.1.3 In Home Contents Insurance (Chapter IV) and Vacation Equipment Insurance (Chapter V), the insurance amount changes according to the consumer price index upon renewal.
- 9.1.4 In Homeowner's Insurance (Chapter VI), the insurance amount for the summer house itself equals the fire damage assessment of the house. The insurance amounts change according to the construction cost index upon renewal.
 - 9.1.4.1. If the insured has Additional Fire Insurance in effect with VÍS, the insured amount under Article 9.1.4 increases by the amount specified in that insurance.
- 9.1.5 For Liability Insurance (Chapter VII), the following applies:
 - 9.1.5.1. VÍS's liability for each individual loss event is limited to the insurance amount specified in the certificate or renewal receipt. If multiple loss events arise from the same cause, they are considered as arising from one loss event.
 - 9.1.5.2. Costs incurred with VÍS's consent to determine the insured's liability and interest on the compensation amount are paid, even if VÍS's payment exceeds the maximum compensation amount specified in the certificate or renewal receipt.
 - 9.1.5.3. If the maximum compensation amount specified in the certificate or renewal receipt is lower than the principal amount of the compensation claim, only the portion of the costs and interest corresponding to the insurance amount VÍS is liable for will be paid.
 - 9.1.5.4. In liability insurance, the insurance amount changes according to the consumer price index upon renewal.

10. Deductible

- 10.1 The deductible amount changes according to the consumer price index in Home Contents Insurance (Chapter IV) and Vacation Equipment Insurance (Chapter V), according to the construction cost index in Homeowner's Insurance (Chapter VI), and according to the consumer price index in Liability Insurance (Chapter VII).
- 10.2 When maximum compensation is specified as a percentage of the insurance amount, it refers to compensation after deducting the deductible.

11. Determination of compensation

- 11.1 General Provisions:
 - 11.1.1 The insurance only compensates for the actual loss of the insured. The insured should not profit from a loss event.
 - 11.1.2 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 cost-effective according to VÍS, VÍS may either pay the estimated repair cost or have the damaged item repaired at VÍS's expense. It is considered a complete repair even if the repair is visible.
 - 11.1.3 If it is not possible to repair the damaged item or the repair is not cost-effective according to VÍS, VÍS may pay compensation in money or provide a comparable item, considering depreciation. If compensation has been paid from the insurance, VÍS reserves the right to claim the damaged item.
 - 11.1.4 VÍS has the right to pay the difference between the value of the damaged item before and after the loss event.
 - 11.1.5 Stolen items that are recovered after compensation has been paid for them

⁵ According to Article 5 of Regulation No. 809/2000 on Mandatory Fire Insurance.



become the property of VÍS and must be returned to VÍS. However, the insured may keep the items if they wish by repaying the compensation.

11.1.6 Provisions 11.1.2 to 11.1.5 do not apply to Fire Insurance (Chapter II) and Additional Fire Insurance (Chapter III).

11.2 For Fire Insurance (Chapter II) and Additional Fire Insurance (Chapter III):

11.2.1 Compensation must be used to repair or rebuild the damaged summer house. Compensation is not due until the repair or rebuilding has been completed. If the repair is partially completed, the insured is entitled to payment for the incurred repair costs.

11.2.2 When Additional Fire Insurance (Chapter III) is in effect, the determination of compensation is based on the combined insured amount under the mandatory fire insurance for the summer house, i.e. the fire insurance valuation of the property, and the insured amount under the Additional Fire Insurance.

11.2.2.1. In the event of a total loss, the amount of compensation can never exceed the assessed repair cost, cf. Article 21.

11.2.2.2. In the event of a partial loss, the loss is calculated as a proportion of the assessed repair cost, cf. Article 21. This proportion is then used to calculate the amount of compensation from the total insured amount pursuant to Article 11.2.2.

11.2.3 No compensation will be paid until the official investigation of the loss event is completed or, if a criminal case is initiated, until a final judgment is rendered.

11.2.4 VÍS may grant an exemption from the rebuilding obligation in consultation with planning authorities, provided that 15% is deducted from the compensation amount. This deduction does not apply if rebuilding is not permitted due to planning reasons or other circumstances beyond the control of the insured. If a decision is made to grant the aforementioned exemption from the rebuilding obligation and VÍS considers the fire damage assessment of the summer house significantly higher than its market value, VÍS may base the compensation amount on the market value of the summer house, including the plot, less the aforementioned 15%.

11.3 For Home Contents Insurance (Chapter IV) and Vacation Equipment Insurance (Chapter V):

11.3.1 Compensation is based on the value of a new item comparable to the damaged one on the day of the loss. VÍS may depreciate the value due to age, use, and other factors affecting the value of the damaged item. Depreciation cannot exceed the amounts specified in the table below:

Type	Depreciation Interval	Depreciation Rate	Maximum Depreciation
Smart devices and accessories	Every 12 months	25%	100%
Computer equipment and accessories	Every 12 months	20%	100%
Other electronics and accessories	Every 12 months	20%	70%
Other items	Every 12 months	10%	70%

11.3.2 VÍS's liability for payment is limited in the following cases:

- Watches, jewelry, paintings, and other artworks are compensated up to 10% of the insured home contents value, provided these items are in the policyholder's summer house at the time of the loss event.
- Specific home contents, i.e., money, securities, manuscripts, original drawings, coin and stamp collections, are compensated up to 1% of the insured home contents value per item, provided these items are in the policyholder's summer house at the time of the loss event.
- Tools and spare parts are compensated up to 5% of the insured home contents value, provided these items are in the policyholder's summer house at the time of the loss event.
- Food items are compensated up to 4% of the insured home contents value.
- Clothing and linen damaged due to overheating during washing are compensated up to 5% of the insured home contents value.

11.3.3 Computer data and software are not compensated.

11.3.4 Intangible values such as intellectual property and sentimental value are not compensated.

11.4 For Homeowner's Insurance (Chapter VI):

11.4.1 Compensation is based on the value on the day of the loss. VÍS may depreciate the value due to age, use, and other factors affecting the value of the damaged item.

11.4.2 Despite the provisions of Article 11.4.1, depreciation of parquet flooring cannot exceed 5% per year after the parquet is five years old. Depreciation cannot



exceed 70%. If damage occurs to floor coverings, compensation is only paid for floor coverings in the damaged area. There do not need to be thresholds or doors to separate areas.

- 11.4.3 If the summer house is so severely damaged that it cannot be repaired or repair is not cost-effective according to VÍS, VÍS may pay compensation in cash equal to the fire damage assessment, less the value of what remains in the summer house. However, the amount of compensation can never exceed the assessed repair cost, cf. Article 21.
- 11.4.4 Transport costs for damage to a hot tub are not covered.
- 11.5 For Liability Insurance (Chapter VII):
- 11.5.1 Compensation for bodily injury to third parties is paid based on the Tort Compensation Act No. 50/1993.
- 11.5.2 Compensation for property damage is based on the value on the day of the loss.

12. Change of ownership

- 12.1 In the event of a change of ownership, the fire insurance (Chapter II) takes effect on the delivery date specified in the purchase agreement or other ownership documents for the summer house. If more than 14 days have passed since the delivery of the summer house at the time of registering the ownership change in the property registry, or if the delivery date is not available, the fire insurance takes effect on the registration date of the ownership change in the property registry.⁶

II. Fire Insurance

13. What is insured?

- 13.1 The insurance covers the summer house specified in the certificate or renewal receipt, at the location indicated there.
- 13.2 The insurance also covers the usual accessories of the summer house that fall under its fire damage assessment according to the fire damage assessment rules at any given time. The insurance includes, among other things, the following items, provided they were considered in the property's fire damage assessment:
- Fixed fixtures, such as built-in chairs and benches.
 - All permanent piping, such as water, heating, ventilation, sewage, electrical, telephone, and computer wiring.
 - Usual accessories for summer houses, such as stoves, chimneys, radio and television antennas (excluding satellite dishes), fixed equipment such as fire protection and burglar alarm systems, fixed lamps in kitchens, laundry rooms, bathrooms, and toilets, and lights embedded in ceilings or wall coverings. It also includes floor coverings that have been custom cut for the summer house and permanently installed, along with curtain rods and fixtures for curtains.
 - Foundation slabs and supports, including filling, insulation, and piping in the foundation up to 1.2 meters below the top edge of the foundation slab.
 - Windbreaks and other structures, such as decks, attached to the summer house and shown on approved drawings. If these structures were built after the summer house, their construction must have been reported to VÍS and a revaluation requested.⁷
 - Necessary design and material costs, including increased requirements and instructions from public authorities after the summer house was built, provided the homeowner incurred these costs before the loss event.
 - Costs for cleaning the summer house and removing fire debris.
- 13.3 The insurance also covers fixed electric vehicle charging stations, even if they are not part of the summer house's fire damage assessment.

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 Fire, lightning, explosion.	a) Damage caused by fire. b) Damage caused by lightning. c) Damage caused by an explosion in a steam boiler for heating the summer house and damage from a gas explosion due to cooking and heating devices and gas lines for heating the summer house.	d) Damage from fire that cannot be considered a fire, such as items damaged by heat or fire during heating, cooking, drying, smoking, or similar activities. e) Damage to electrical machines, wiring, or devices caused by voltage changes, overheating, short circuits, or other pure electrical phenomena, and surges from electrified storms, unless resulting in or caused by a fire. f) Damage to the machine or boiler in which the explosion occurs.
14.2 Soot.	a) Damage caused by sudden and unexpected sootfall from an approved heating device, fireplace, or fan.	b) Damage from soot or smoke that gradually accumulates during use, such as soot from a chimney or candles.

⁶ According to Article 2 of Regulation No. 809/2000 on Mandatory Fire Insurance.

⁷ According to Article 8 of Regulation No. 809/2000 on Mandatory Fire Insurance.



14.3 Aircraft.	a) Damage caused by aircraft and parts falling from them.	
14.4 Firefighting and rescue actions.	a) Damage caused by firefighting and rescue actions when the purpose of these actions is to prevent or limit damage covered by the insurance and the actions are considered special and justifiable.	b) Indirect damage resulting from compensable loss events, such as loss of business, delay in production or delivery of goods, loss of rental income, etc. c) Costs for cleaning waste or toxic substances in the environment or soil due to a compensable loss event.

15. Premium

- 15.1 The insurance premium is calculated based on the fire damage assessment of the summer house, its use, and location.
- 15.2 The insurance premium constitutes a statutory lien on the summer house and takes precedence for two years over all other obligations except taxes to the state treasury. If the insurance premium is not paid within six months of the due date, the summer house may be sold at auction.⁸

16. Damage assessment

- 16.1 VÍS's assessors evaluate the damage, and VÍS is responsible for ensuring the assessment is carried out as soon as possible. The main elements of the assessment should be itemized.
- 16.2 The policyholder must provide all available information about the damage and its cause and present books, invoices, plans, drawings, and other materials that may assist in the assessment.
- 16.3 If changes or additions have been made that increase the value of the insured property after it has been insured with VÍS and this increase in value has not been met with additional insurance, this new value will be excluded from the fire damage determination.
- 16.4 If the summer house is completely destroyed, assessors must determine whether the insurance amount corresponds to the real value of the summer house on the day of the loss. The repair cost of the insured property should be based on the construction methods and materials customary at the time of the loss event. Compensation should be calculated based on the price level on the day of the loss.
- 16.5 In determining compensation, additional costs for construction materials and methods that are no longer considered economical should not be included.
- 16.6 If it had been decided to demolish the summer house, or its condition was such that demolition was unavoidable before the loss event, the compensation amount should be based on the demolition value of the summer house.
- 16.7 The insured is not allowed to alter the scene until VÍS's assessors have evaluated the damage.

17. Disputes over fire damage assessment and compensation amount

- 17.1 If a dispute arises between VÍS and the insured regarding the fire damage assessment amount, reassessment is conducted according to Article 16.3. If VÍS or the insured do not accept the result of the property registry reassessment, the dispute may be referred to the Superior Real Estate Appraisal Committee. The cost of the committee's ruling is paid according to a fee schedule set by the insurance minister. The cost of the ruling is borne by the party against whom the ruling is made.
- 17.2 If damage occurs and there is a dispute over the compensation amount, the matter may be referred to arbitration. The arbitration panel should consist of two individuals appointed by the district court in the jurisdiction where the summer house is located. The cost of arbitration is paid according to a fee schedule set by the insurance minister. The cost is generally borne by the party against whom the ruling is made.

III. Additional Fire Insurance

18. What is insured?

- 18.1 The insurance covers the summer house specified in the certificate or renewal receipt, at the location indicated there.
- 18.2 The insurance also covers the usual accessories of the summer house that fall under its fire damage assessment according to the fire damage assessment rules at any given time. The insurance includes, among other things, the following items, provided they were considered in the summer house's fire damage assessment:
- Fixed fixtures, such as built-in chairs and benches.
 - All permanent piping, such as water, heating, ventilation, sewage, electrical, telephone, and computer wiring.
 - Usual accessories in homes, such as stoves, chimneys, radio and television antennas (excluding satellite dishes), fixed equipment such as fire protection and burglar alarm systems, fixed lamps in kitchens, laundry rooms, bathrooms, and toilets, and lights embedded in ceilings or wall coverings. It

⁸ According to Article 7 of Act No. 48/1994 on Fire Insurance.



also includes floor coverings that have been custom cut for the summer house and permanently installed, along with curtain rods and fixtures for curtains.

- d) Foundation slabs and supports, including filling, insulation, and piping in the foundation up to 1.2 meters below the top edge of the foundation slab.
- e) Windbreaks and other structures, such as decks, attached to the house and shown on approved drawings.
- f) Necessary design and material costs, including increased requirements and instructions from public authorities after the house was built, provided the homeowner incurred these costs before the loss event.
- g) Costs for cleaning the summer house and removing fire debris.

18.3 The insurance also covers fixed electric vehicle charging stations, even if they are not part of the summer house's fire damage assessment.

19. 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?
19.1 Fire, lightning, explosion.	<ul style="list-style-type: none"> a) Damage caused by fire. b) Damage caused by lightning. c) Damage caused by an explosion in a steam boiler for heating the summer house and damage from a gas explosion due to cooking and heating devices and gas lines for heating the summer house. 	<ul style="list-style-type: none"> d) Damage from fire that cannot be considered a fire, such as items damaged by heat or fire during heating, cooking, drying, smoking, or similar activities. e) Damage to electrical machines, wiring, or devices caused by voltage changes, overheating, short circuits, or other pure electrical phenomena, and surges from electrified storms, unless resulting in or caused by a fire. f) Damage to the machine or boiler in which the explosion occurs.
19.2 Soot.	<ul style="list-style-type: none"> a) Damage caused by sudden and unexpected sootfall from an approved heating device, fireplace, or fan. 	<ul style="list-style-type: none"> b) Damage from soot or smoke that gradually accumulates during use, such as soot from a chimney or candles.
19.3 Aircraft.	<ul style="list-style-type: none"> a) Damage caused by aircraft and parts falling from them. 	
19.4 Firefighting and Rescue Actions.	<ul style="list-style-type: none"> a) Damage caused by firefighting and rescue actions when the purpose of these actions is to prevent or limit damage covered by the insurance and the actions are considered special and justifiable. 	<ul style="list-style-type: none"> b) Indirect damage resulting from compensable loss events, such as loss of business, delay in production or delivery of goods, loss of rental income, etc. c) Costs for cleaning waste or toxic substances in the environment or soil due to a compensable loss event.

20. Premium

20.1 The insurance premium is calculated based on the insurance amount, use of the summer house, and its location.

21. Damage assessment

21.1 The assessment of loss under the Additional Fire Insurance is governed by Article 16.1.

21.2 The Additional Fire Insurance covers additional costs due to building materials and construction methods that are no longer considered economical, if this has been agreed and is specified in the policy.

IV. Home Contents Insurance

22. What is insured?

22.1 The insurance covers home contents in the summer house owned by the insured that are not considered part of the summer house or its accessories. This includes:

- a) General household items and personal belongings that are typically part of summer houses, such as furniture, household appliances, decorative items, crockery, books, clothing, and bedding.
- b) Specific household items, i.e., money, securities, manuscripts, original drawings, coin and stamp collections.

23. 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?
23.1 Fire, lightning, explosion.	<ul style="list-style-type: none"> a) Damage caused by fire. It is not considered a fire if objects smolder or melt if there is no open flame. b) Damage caused by lightning. c) Damage caused by explosion. 	<ul style="list-style-type: none"> d) Damage caused by working with explosives during construction activities.
23.2 Soot.	<ul style="list-style-type: none"> a) Damage caused by sudden and unexpected sootfall from an approved heating device or fireplace. 	<ul style="list-style-type: none"> b) Damage caused by soot or smoke that gradually accumulates during use.
23.3 Additional costs due to home contents damage.	<ul style="list-style-type: none"> a) Damage caused by firefighting and rescue actions when the purpose of these actions is to prevent or limit damage covered by the insurance and the actions are considered special and justifiable. b) Necessary transport or storage of home contents in connection with a compensable home contents loss. c) Items damaged during the above actions. 	



The insurance covers the following events/incidents:	What is covered under the insurance?	What is not covered under the insurance?
23.4 Water, steam, and oil.	<ul style="list-style-type: none"> a) Damage caused by water, steam, and oil that unexpectedly and suddenly flows from the summer house's pipes and originates within its walls. b) Damage caused by water that unexpectedly and suddenly flows from water beds due to failures. c) Damage caused by water that flows from sanitary fixtures due to mistakes or failures in the fixtures. d) Damage caused by leaks from freezers and refrigerators, but not to the devices themselves if they are older than 5 years. e) 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"> f) Damage caused by external water, other than specified in section e 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. g) 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.
23.5 Theft.	<ul style="list-style-type: none"> a) Damage caused by theft from the summer house. 	
23.6 Robbery.	<ul style="list-style-type: none"> a) Damage caused by robbery when the insured items are taken with physical violence or a threat of immediate violence.⁹ 	
23.7 Vandalism.	<ul style="list-style-type: none"> a) Damage caused by intentional vandalism. 	<ul style="list-style-type: none"> b) Damage caused by vandalism by the insured themselves or someone with permission to be in the insured's summer house. c) Damage caused by vandalism to items outside the house except when temporarily outside the insured's summer house.
23.8 Breakage or collapse.	<ul style="list-style-type: none"> a) Damage to home contents in the insured's summer house caused by items suddenly and unexpectedly falling and breaking. This refers to items attached to walls or ceilings, such as wall cabinets, shelves, paintings, pictures, ceiling and wall lights, as well as items that were in or on the items that collapsed. 	<ul style="list-style-type: none"> b) Damage to tools, smart devices, glasses, dentures, hearing aids, watches, and other personal items caused by breakage or collapse. c) Damage caused by liquids spilling during breakage or collapse. d) Damage caused by breakage or collapse caused by humans.
23.9 Traffic accident.	<ul style="list-style-type: none"> a) Damage to home contents located in a vehicle involved in a traffic accident. 	
23.10 Short circuit.	<ul style="list-style-type: none"> a) Damage to electrical appliances caused by a short circuit in them. 	<ul style="list-style-type: none"> b) Damage to devices older than 10 years. c) Damage covered by the seller's warranty. d) Damage caused by power supply failures leading to voltage changes.
23.11 Sudden snow load.	<ul style="list-style-type: none"> a) Damage to home contents caused by a sudden snow load that collapses the roof or walls of the summer house. 	<ul style="list-style-type: none"> b) Damage caused by construction defects. c) Damage caused by inadequate maintenance.
23.12 Storm.	<ul style="list-style-type: none"> a) Damage caused by a storm when wind speed reaches 28.5 meters per second. Storm damage to home contents is considered only when the wind has broken the roof, windows, or other parts of the house. If recognized data on wind speed at the loss location is not available, the determination of liability should consider whether general property damage occurred in the area due to the weather when the loss event occurred. 	<ul style="list-style-type: none"> b) Damage to items outside the house.
23.13 Aircraft.	<ul style="list-style-type: none"> a) Damage caused by aircraft and parts falling from them. 	
23.14 Overheating of laundry.	<ul style="list-style-type: none"> a) Damage to laundry that overheats in a washing machine or dryer if the damage is due to a malfunction in the washing machine or dryer. To confirm a malfunction, the insured must present a repair invoice and a fault analysis from the repair technician. 	<ul style="list-style-type: none"> b) Damage to the washing machine or dryer.
23.15 Unexpected stoppage of freezer or refrigerator cooling system.	<ul style="list-style-type: none"> a) Damage to food items due to an unexpected stoppage of the freezer or refrigerator cooling system. b) Damage to the freezer or refrigerator itself due to an unexpected stoppage of the cooling system if it is less than 5 years old and the seller's warranty does not cover the damage. 	

V. Vacation Equipment

24. What is insured?

24.1 The insurance covers vacation equipment owned by the insured and typically located in the summer house. Vacation equipment includes:

- 24.1.1 Jet skis, kayaks, windsurf boards, canoes, rowboats with or without an outboard motor, inflatable boats, and other similar boats under 5 meters in length.
- 24.1.2 Lawn tractor mowers and snow blowers.
- 24.1.3 Golf carts.

24.2 Despite Article 4, the insurance covers vacation equipment listed in Article 24.1.1 if they are stored in boat sheds belonging to the summer house.

25. What is covered?

25.1 The insurance covers damage due to fire, water, theft, snow load, and storms in the same manner as described in Articles 23.1, 23.4, 23.5, 23.11, and 23.12.

⁹ According to Article 252 of Act No. 19/1940 on Penal Code.



VI. Homeowner's Insurance

26. What is insured?

- 26.1 The insurance covers the summer house specified in the certificate or renewal receipt and its usual accessories, provided they were considered in the fire damage assessment according to the fire damage assessment rules at any given time.
- 26.2 If the policyholder has chosen to insure any of the following items separately, and it is specified in the certificate or renewal receipt, the insurance also covers them:
- 26.2.1 Decks, windbreaks, fences, and gates on the summer house property.
- 26.2.2 Detached buildings on the summer house property or extensions attached to the summer house.
- 26.2.3 Hot tubs located on the land of the insured summer house.

Homeowner's Insurance includes what is part of a fire compensation assessment. If e.g. sun deck, detached house or hot tub is not part of the fire compensation assessment, these items can be insured separately.

27. 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?	Summer house, ref. 26.1	Deck, etc., ref. 26.2.1	Detached building, ref. 26.2.2	Hot tub, ref. 26.2.3
27.1 Fire, lightning, explosion.	<ul style="list-style-type: none"> a) Damage caused by fire. It is not considered a fire if objects smolder or melt if there is no open flame. b) Damage caused by lightning. c) Damage caused by an explosion in a steam boiler for heating houses and damage from a gas explosion due to cooking and heating devices and gas lines for heating houses. 	d) Damage caused by working with explosives during construction activities.	Not covered see Chapter II	✓	✓	✓
27.2 Water, steam, and oil.	<ul style="list-style-type: none"> a) Damage caused by water, steam, and oil that unexpectedly and suddenly flows from the summer house's pipes and originates within its walls. The insurance covers the cost of breaking and disturbing necessary to stop the leak, as well as the new installation due to such actions, so that the summer house is in the same or no worse condition than before the damage. Compensation for breaking and disturbing for other reasons than to stop the leak is not paid. b) Damage caused by water that unexpectedly and suddenly flows from water beds due to failures. c) Damage caused by water that flows from sanitary fixtures due to mistakes or failures in the fixtures. d) Damage caused by water leaking unexpectedly and suddenly from freezers and refrigerators. e) 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"> f) Damage caused by external water, other than specified in section e 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. g) 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. h) Damage to the part or parts causing the damage, such as the pipes themselves or work to repair or replace them. i) Damage due to base pipes that have sagged, decayed, or otherwise deteriorated from use or inadequate foundation. However, direct water damage to the summer house if such a pipe clogs and overflows above the foundation plate is covered. j) Damage to pipes outside the walls of the summer house, such as connections to hot tubs and snow melting systems. k) Damage caused by long-term dampness or water leakage and damage due to mold or fungal growth, even if it is a result of a compensable loss event. l) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability. 	✓	✓	✓	Not covered
27.3 Frost damage.	<ul style="list-style-type: none"> a) Damage due to frost cracks in the indoor water piping system of the insured house, which occurs when the house's heating system fails unexpectedly and suddenly. This includes snow melting systems within the walls of the property. The snow melting system must be closed and have antifreeze. b) Damage due to frost cracks in the house's piping frame, even if it is located outside the house, which occurs when the house's heating system fails unexpectedly and suddenly. c) Damage due to frost cracks in pipes from the piping frame to the insured house, which occurs when the house's heating system fails unexpectedly and suddenly. d) Frost cracks in the hot tub's piping system, which occur when the hot tub's pipes freeze. 	<ul style="list-style-type: none"> e) Damage to snow melting systems outside the walls of the summer house and not in the fire damage assessment. f) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability. g) Damage attributable to failure of the water and electricity supply. 	✓	Not covered	✓	✓
27.4 Burglary or attempted burglary.	a) Damage caused by burglary or attempted burglary.	b) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability.	✓	✓	✓	Not covered



The insurance covers the following events/incidents:	What is covered under the insurance?	What is not covered under the insurance?	Summer house, ref. 26.1	Deck, etc., ref. 26.2.1	Detached building, ref. 26.2.2	Hot tub, ref. 26.2.3
27.5 Glass.	a) Damage to glass and caused by glass breakage, only when it breaks after being installed or otherwise permanently placed in the intended location and as long as it remains in the same place.	b) Damage to glass due to construction work or repairs outside the house in which the insured glass is located, unless it is normal maintenance such as painting. c) Damage due to maintenance or actions performed on the glass, its frame, or surroundings. d) Damage to glass when it is scratched or chipped. e) Damage to glass in household appliances. f) Damage to glass in windbreaks and fences. g) Increased value of glass such as decorations and films, or when it has needed to be leaded or leaded in assembly or otherwise similarly composed. In these cases, the glass is compensated as if it were ordinary flat glass. h) Damage due to mist between glasses.	✓	Not covered	Not covered	Not covered
27.6 Breakage.	a) Damage caused by breakage when interior fittings, ceiling coverings, or other parts of the summer house fall and break due to incidental failure. b) Damage caused by breakage of ceramic cooktops and sanitary fixtures such as sinks, bathtubs, toilets, and water tanks, only when they break due to unexpected and sudden external events after they have been permanently placed in the intended location and as long as they remain in the same place. Only the value of the ceramic cooktop or sanitary fixtures themselves is compensated.	c) Damage to sanitary fixtures and ceramic cooktops due to maintenance or actions performed on the fixtures. d) Damage to sanitary fixtures and ceramic cooktops due to scratching or chipping. e) Damage covered by the seller's or installer's warranty. f) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability. g) Costs of disconnection, breaking, or installation. h) Accessories that can be reused. i) Damage due to inadequate maintenance.	✓	Not covered	Not covered	Not covered
27.7 Soot.	a) Damage caused by sudden and unexpected sootfall from an approved heating devices or fireplaces.	c) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability.	✓	✓	✓	Not covered
27.8 Sudden snow load.	a) Damage caused by a sudden snow load that collapses the roof or walls of the property.	b) Damage due to construction defects. c) Damage only related to gutters and roof edges. d) Damage due to inadequate maintenance. e) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability.	✓	Not covered	Not covered	Not covered
27.9 Storm.	a) Damage caused by a storm, i.e., when wind speed reaches 28.5 meters per second. Damage to the insured property due to precipitation and sand drift accompanying the storm is compensated only if the wind has broken the roof, windows, or other parts of the summer house. If recognized data on wind speed at the loss location is not available, the determination of liability should consider whether general property damage occurred in the area due to the weather when the loss event occurred.	b) Damage to antennas, flagpoles, fences, and vegetation. However, fences specifically insured under Article 26.2.1 are compensated. f) Damage due to normal wear and tear, as well as damage that only causes a cosmetic defect but does not impair usability. g) Damage due to inadequate maintenance.	✓	✓	✓	✓
27.10 Aircraft.	a) Damage caused by aircraft and parts falling from them.		✓	✓	✓	✓
27.11 Theft of hot tub.	a) Damage caused by theft. b) Damage to the insured property caused in the aftermath of theft.		✓	Not covered	Not covered	✓

VII. Liability Insurance

28. What is covered under the insurance?

28.1 The insurance covers direct bodily injury or property damage to a third party due to the insured's liability as the owner of the summer house specified in the certificate or renewal receipt, according to Icelandic law. Property includes real estate and personal property, including animals. The insurance compensates such damages to the extent that the claimant is not responsible for the damage themselves due to contributory negligence or liability.

28.2 It is a condition for liability under this provision that bodily injury or damage to property can be traced to a sudden and unforeseen event.

29. What is not covered under the insurance?

29.1 The insurance does not cover:

- Contractual damages, i.e., damages the insured is liable for due to breach of contract.
- Loss or damage caused by the insured to each other.
- Loss or damage arising from the insured's professional activities, whether it is their own business or profitable work for others.
- Loss or damage to items the insured has for use, storage, or other reasons in their possession, including property which the insured has in his

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 a 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.



- possession without authorisation.
- e) Loss or damage to items caused by fire, water from firefighting, smoke, soot, or explosion.
 - f) Fines, legal costs, or other expenses related to criminal cases.
 - g) Loss or damage caused by air, land, vegetation, sea, or water pollution. However, VÍS compensates such damages if they result from a single sudden and unforeseen event.
 - h) Loss or damage due to long-term dampness or water leakage.
 - i) Loss or damage caused by asbestos or materials containing asbestos.
 - j) Loss or damage that can be traced to PFAS (per- and polyfluorinated alkyl substances) chemicals and compounds, whether such substances are handled directly or contained in products.
 - k) Loss or damage caused by mold or fungal growth.

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.

30. The status of the claimant in case of loss or damage

- 30.1 If the insurance covers damages the insured is liable for, the claimant can claim compensation directly from VÍS. VÍS and the insured are obliged to inform the claimant of the liability insurance if it exists.
- 30.2 If a claim for compensation is made against VÍS, the insured must be informed without undue delay and provided with information about the handling of the claim. VÍS's acknowledgment of matters relating to liability is not binding on the insured.
- 30.3 If the claimant notifies their intention to sue VÍS, VÍS may demand that the claim is also directed against the insured. VÍS must notify the claimant of this demand without undue delay and in a verifiable manner.
- 30.4 Regarding the claimant's position otherwise, refer to Article 44 of the Insurance Contracts Act No. 30/2004.

31. Handling of compensation claims

- 31.1 The insured must consult with VÍS about their legal position if they are claimed for damages they are considered liable for.
- 31.2 The insured must not acknowledge their liability or make compensation agreements without VÍS's consent. The insured's acknowledgment of liability only binds them, not VÍS.
- 31.3 VÍS represents the insured and controls all legal proceedings, including court cases if necessary. The same applies to claims for wages for rescue or assistance.

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.