Vörður
hluti af Arion

Travel Insurance

Terms F-1

Travel Insurance provides protection while travelling abroad and covers, for example, costs arising from accidents, illness, or death abroad, and also includes trip interruption insurance and baggage insurance.

This insurance is governed by the policy, together with any endorsements and special terms, these Terms, the Company's General Terms and Conditions No. AS-1, and the provisions of the Insurance Contracts Act No. 30/2004, hereafter the Insurance Contracts Act. In the event of any inconsistency, the provisions of these Terms shall take precedence over the General Terms and Conditions.

Definitions

The Company: Vörður tryggingar hf.

Proportionality Rule (Hlutfallsregla): The proportionality rule is a calculation method for combined medical disability. Where the injured party has previously sustained bodily injury in an earlier accident, or has previously been assessed for medical disability (degree of impairment), the proportionality rule shall be applied. The same applies where the injured party sustains multiple injuries in one and the same accident. The rule is based, among other things, on the principle that permanent medical disability can never exceed 100%. When the proportionality rule is applied, an assessment is made of how the injured party's various symptoms interact and combine to cause permanent disability.

Accident: The term "accident" means a sudden external event that causes bodily injury to the insured and occurs against their will. For injuries to limbs and for broken teeth, however, it is only required that there be a sudden event that causes bodily injury to the insured and occurs against their will. Death benefits are payable only if the accident is the direct and sole cause of the insured's death.

Permanent Medical Disability: Compensation for medical disability is calculated based on a medical assessment of the extent of physical or mental impairment considered to have resulted from the accident. The impairment shall be assessed according to the Disability Committee's tables of impairment ratings. When determining the amount of compensation for permanent medical disability, regard shall be had to the nature and extent of the consequences of the injury from a medical standpoint. Permanent medical disability shall be assessed in terms of impairment rating and shall be based on the injured party's state of health once it has stabilised and the physician considers that no further recovery is to be expected. Permanent medical disability is independent of the cause of the bodily injury in each case, and the assessment does not take into account the education, occupation, or interests of the injured party.

Disability Committee (Örorkunefnd): The Disability Committee comprises three members appointed pursuant to Article 10 of the Damages Act (skaðabótalög). The Disability Committee prepares tables of impairment ratings. The tables assess the reduction in physical, and where applicable, mental function of individuals who have sustained bodily injury.

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Chapter 1. Travel Health and Trip Interruption Insurance Abroad

What does the insurance cover?

The insurance covers:

a. Medical Costs Abroad

- Hospitalisation abroad, together with medical care, medication, and other services provided by the hospital. The stay and treatment must be prescribed by a physician, and payment is based on the rate of a standard hospital in the country concerned.
- Medical care and medication prescribed by a physician.
- Pain-relieving dental treatment, only in emergencies; the maximum compensation for dental treatment is 1% of the insurance's maximum medical cost cover.

b. Additional Costs

- Additional expenses for special hotel accommodation where a physician considers that treatment may take place at a hotel. Such expenses include costs for nursing care and special dietary requirements, among other things. The maximum compensation for this cost is 1% of the insurance's maximum medical cost cover per 24-hour period.
- Additional expenses for the return journey home, or for travel to reach a previously planned itinerary following a delay where the insured is hospitalised on medical advice and in consultation with the Company's emergency service, together with the travel costs of an escort/companion, if the physician considers this necessary.
- Should the insured be injured, become seriously ill, or die during the journey, the Company shall pay the additional costs of a close relative or friend, whether accompanying the insured or summoned to the insured's location in consultation with the Company or SOS International.
- The maximum compensation for this cost is 10% of the insurance's maximum medical cost cover.

c. Medical Transport

- Necessary costs related to medical transport in the country where the accident or illness occurs, in consultation with the Company or SOS International.
- Where the physician treating the insured for illness or injury while travelling considers that an immediate return home is necessary and that this can be carried out by ordinary means, written confirmation from the physician is sufficient for the Company. In such cases, additional expenses for the return journey are paid, such as an extra seat, a higher travel class, etc. Where the illness or accident is so severe that the physician considers the insured must be transported home by other means, the Company's emergency service shall arrange the transport.

d. Repatriation of Remains

- Should the insured die while travelling abroad, the Company's emergency service shall be responsible for arranging the transport of the deceased to Iceland, as well as of any travel companion, and the costs of statutory measures.

e. Trip Interruption Expenses

Necessary additional expenses for the return journey to Iceland, where the insured is forced to interrupt their stay abroad due to:

- the death, serious accident, or sudden and serious illness of the insured's spouse, children, parents, grandchildren, grandparents, children-in-law, parents-in-law, or siblings.
- significant property damage at the insured's home, or at their private business, that makes their presence necessary. The Company shall be consulted regarding whether a return journey is required.

The maximum compensation for trip interruption is 10% of the insurance's maximum medical cost cover.

f. Reimbursement of Holiday Travel

- Where a holiday trip is interrupted on a physician's instructions before it is half completed, or where the insured has been hospitalised for at least half of the travel period, the Company shall pay the value of the patient's trip.
- Where a trip is interrupted without the above conditions being met, the Company shall pay neither the unused portion of the travel cost nor a new trip abroad in place of the one interrupted.
- Compensation is payable only for a trip lasting six days or longer.
- The maximum compensation for this item is 10% of the insurance's maximum medical cost cover.

Should the insured be injured, become ill, or die while travelling abroad, the Travel Health Insurance covers the unavoidable and reasonable costs resulting therefrom. However, the Company pays these costs only to the extent that they are not covered by Iceland Health Insurance (Sjúkratryggingar Íslands) or another comparable body. The Travel Health Insurance also covers necessary and reasonable costs resulting from trip interruption, pursuant to item (e).

What is not covered by the insurance?

The insurance does not cover:

a. Medical costs

- arising from conditions occurring after the 36th week of pregnancy, during childbirth, or during termination of pregnancy.
- for continued medical treatment where the insured refuses to be transported home despite being fit to travel.
- for medical treatment abroad lasting longer than three months.
- for injuries that a person inflicts on themselves, or for injuries where the insured needlessly exposes themselves to danger.

- for sexually transmitted diseases.

b. Costs

- for medication without a physician's prescription, prosthetic limbs and dentures, glasses, contact lenses, hearing aids, and other similar items.
- for medication that the insured used regularly before the trip began.
- the insurance does not cover additional costs for food and accommodation.
- which is payable under a reciprocal health insurance agreement.
- for search and rescue.
- for any accident, illness, or condition that the insured has suffered from, or received medical care and/or treatment for, in the 12 months preceding payment of the confirmation fee.
- for conditions or accidents excluded under Articles 9, 10, and 11 of Chapter 2 on Travel Accident Insurance, as applicable. However, the insurance does cover costs arising from illness, accident, or the death of the insured caused by food or drink poisoning, infection from an insect bite or sting, and by a registrable motor vehicle.

Safety Regulations

The insured shall always follow the instructions of physicians and/or the Company's medical adviser.

Chapter 2. Travel Accident Insurance

What does the insurance cover?

The Company pays compensation for an accident suffered by the insured that results in:

- permanent medical disability
- temporary incapacity for work
- broken teeth
- death

Compensation for Permanent Medical Disability

a. Where an accident causes the insured permanent bodily injury within three years of the accident occurring, disability compensation is paid based on the basic sum insured in effect on the date of the accident.

b. The disability shall be assessed as a percentage according to the Disability Committee's tables of impairment ratings in effect at the time the assessment is made. Where the injured party's injury is not listed in the Disability Committee's tables, it shall be assessed separately with reference to the tables. Disability can never be assessed as exceeding 100%.

c. Where an accident results in permanent medical disability, the Company and the insured shall agree on a single qualified assessing physician to evaluate the consequences of the accident.

d. Accidents causing disfigurement only are not compensable.

e. In determining disability (medical disability), no regard shall be given to the occupation, special abilities, or social status of the injured party.

f. Loss or impairment of a limb or organ that was already unusable prior to the accident does not give rise to a right to disability compensation. For the loss or impairment of a limb or organ that was already impaired, disability shall be assessed with reference to the impairment existing before the accident. Where the loss of a limb or organ is not total, disability compensation is paid proportionally.

g. Disability shall be assessed at the earliest one year after the accident, with reference to the condition of the injured party, or when the physician considers that the permanent consequences of the accident have become apparent, but never later than three years after the accident. Where the injured party or the Company considers that the disability may change, either party may request that the final disability assessment be postponed, but not for longer than three years from the date of the accident. Either party may request a new disability assessment once one year has elapsed since the previous assessment. The injured party is then required to be examined by a physician appointed by the Company. Should the injured party refuse to comply with this obligation, the Company may withhold payments to them until such examination has taken place.

h. The Company reserves the right to apply the proportionality rule when assessing permanent medical disability.

i. Even though the condition of the injured party may change, a disability assessment shall without exception be carried out no later than three years after the accident. In this case, the disability shall be determined on the basis of what may reasonably be expected to be its final level. Where the injured party's condition could likely be improved through medical treatment or training, and they decline without valid reason to undergo such treatment, the possible improvement that such treatment might bring about shall nevertheless be taken into account when determining the degree of disability.

j. Compensation for permanent disability is paid in proportion to the basic amount of disability compensation in effect on the date of the accident and stated in the policy, provided that each percentage point of disability from 26–50% counts double, each percentage point from 51–75% counts triple, and each percentage point from 76–100% counts quadruple. Compensation for disability assessed at 100% will therefore amount to 250% of the basic amount for disability compensation stated in the policy.

Compensation for Temporary Incapacity for Work

a. Where an accident causes temporary incapacity for work, the Company shall pay daily benefits in accordance with the amount in effect on the date of the accident. Daily benefits are paid in proportion to the incapacity from the end of the waiting period and for as long as the insured is unable to work in the physician's assessment, but not for more than 48 weeks and not for any period beyond 3 years from the date of the accident.

b. The waiting period means the period which, according to the policy, must elapse from the date of loss before daily benefit payments commence. No daily benefits are paid for this period.

c. Where the injured party's incapacity for work is partly attributable to causes other than the accident, daily benefits are reduced in direct proportion to the extent to which such other causes contribute to the temporary incapacity.

d. The Company does not compensate temporary incapacity for work that is less than 50% of normal incapacity. The Company assesses the incapacity and its permanence on the basis of medical certificates and other available documentation.

e. The Company does not pay compensation for temporary incapacity for work caused by a registrable motor vehicle.

f. The Company does not pay compensation for temporary incapacity for work once it has become permanent according to a medical certificate or disability assessment.

Compensation for Broken Teeth

a. The Company pays for repairs to healthy and well-maintained teeth that are broken or damaged in an accident. The Company's payment is, however, limited to 7.5% of the basic disability sum insured per accident, and total payments for broken teeth in a single insurance year are limited to 11.5% of the same amount.

b. The Company does not, however, compensate broken teeth resulting from a workplace accident, cf. the Health Insurance Act No. 112/2008, or breakage occurring while the insured is eating.

c. The insurance pays only for dental damage that is not covered by another party, such as the State Social Security Institute (Tryggingastofnun ríkisins), cf. the Health Insurance Act No. 112/2008 and Regulation No. 451/2013 on the participation of health insurance in the dental costs of the insured.

Compensation for Death

a. Should the insured die as a result of an accident within one year of the date of the accident, the sum insured in effect on the date of the accident shall be paid, less any compensation for permanent disability that the Company may have already paid in respect of the same accident.

b. Death benefits are payable only if the accident is the direct and sole cause of the insured's death. The beneficiary of death benefits is the spouse, whether in marriage or a registered partnership/cohabitation.

c. Where the insured is a child, death benefits are paid to the child's parents, or to the parent who is insured under this policy, where both parents are not insured. Where none of the above applies, the Company pays death benefits to the beneficiary under the Inheritance Act No. 8/1962 or a will.

d. Where the insured has no dependants, 25% of the sum insured is paid. A dependant means a child or adult individual who is demonstrably supported by the insured.

e. Should the insured die as a result of an accident, the Company has the right to have an autopsy performed to establish the cause of death and any other matters that may be relevant to the Company's liability for compensation.

General Sports Activities

The insurance covers accidents occurring during general sports activities. Excluded, however, are accidents occurring in competitions or during training to prepare for competitions in any kind of sport. This exclusion does not, however, apply to children under 18 years of age.

What is not covered by the insurance?

The insurance does not cover accidents:

a. occurring in boxing, combat sports, wrestling, or self-defence sports where the purpose of the sport is to strike, punch, or kick an opponent, or otherwise engage them physically.

b. occurring in motorsports.

c. occurring in rappelling, rock climbing, mountaineering, and ice climbing.

d. occurring in mountain climbing of any kind where the mountain's height exceeds 4,000 metres above sea level.

e. occurring in scuba diving and free diving (without oxygen) at depths greater than 10 metres.

f. occurring in bungee jumping, parachuting, BASE jumping, and other similar activities.

g. occurring in hot air ballooning, paragliding, kite flying, gliding, microlight flying, and other similar activities.

h. occurring in other extreme sports comparable and similar in nature to those mentioned above.

i. occurring directly or indirectly as a result of terrorism, or due to any biological or chemical effects and/or poisoning, including from pathogens and viruses, or where the consequences of an accident are aggravated by the foregoing factors.

j. occurring during flight, unless the insured is a passenger on a scheduled or charter flight operated by a party holding the requisite authorisation from the relevant aviation authorities.

k. occurring due to sunbed use, medical treatment, surgery, or the use of medication, unless prescribed by a physician in connection with a compensable accident and performed at an approved healthcare institution.

l. occurring due to the use of medication with a sedative effect.

m. occurring due to food and/or drink poisoning.

n. occurring due to the consumption of alcohol, narcotics, or other intoxicating substances.

o. suffered by the insured in a physical altercation or while participating in a criminal act.

p. caused by infection from an insect bite or sting.

q. caused by toxic gases, unless this occurred suddenly and against the will of the insured.

r. caused by a registrable motor vehicle.

s. caused by vehicles capable of exceeding 25 km/h on electric or motor power. Accidents caused by the use of electric bicycles and other small vehicles, and Class 1 light motorcycles/mopeds as defined in the Traffic Act No. 77/2019, are, however, compensable.

t. suffered by the insured while at work, whether in paid employment or a profit-making activity carried out for their own benefit or that of others, and which carries a risk of occupational accident. Accidents occurring on the direct route to and from work are deemed to be accidents at work and therefore do not fall within the scope of cover of this Chapter.

Other Limitations on Liability

The Company does not pay compensation, even where an accident is considered a proven cause, for the following conditions or illnesses: herniated disc, lumbago/sciatica, rheumatoid arthritis, osteoarthritis, or any other type of rheumatic disease. Where illness, weakness, or a pathological condition of the insured is a contributing cause of their death, no death benefits are paid. This applies whether such condition was present when the accident occurred, or arose subsequently, without being directly and solely a consequence of an accident covered by the insurance.

Contributing Causes

Where illness, weakness, or a pathological condition of the insured is a contributing cause of their death, no death benefits are paid. This applies whether such condition was present when the accident occurred, or arose subsequently, without being directly and solely a consequence of an accident covered by the insurance.

Age Limits

The insurance is valid until the insured reaches 70 years of age. Children under 16 years of age are not insured against temporary incapacity for work.

Measures Following an Accident

The injured party shall seek medical attention immediately after an accident has occurred, undergo necessary medical procedures, and follow the physician's instructions in all respects. The accident shall be reported immediately using the Company's designated forms, if possible, or otherwise by other provisional means.

When an accident occurs, the Company is entitled to obtain information about the insured's prior state of health. The Company pays the cost of necessary medical certificates in connection with the insured event where these are obtained at the Company's request. Necessary certificates are considered to be injury certificates, certificates of incapacity for work, and the treating physician's final certificate. The Company's consent is required for obtaining other certificates.

Index-Linking of Compensation Amounts

Compensation amounts are calculated on the basis of the sums insured on the date of the accident but are adjusted in line with the consumer price index, based on prices at the beginning of the following month, as follows:

a. Death benefits are adjusted in direct proportion to the change in the index from the date of the accident to the date of death.

b. Disability compensation is adjusted in direct proportion to the change in the index from the date of the accident to the date of settlement. Index-linking of disability compensation, however, never extends beyond three years from the date of the accident.

c. Daily benefits are adjusted at any given time in direct proportion to the change in the index from the date of the accident.

Chapter 3. Baggage Insurance

What does the insurance cover?

The insurance covers:

a. damage to baggage caused by fire, robbery, or a transport accident, as well as the complete loss of the insured's baggage during transport, subject to the limitations set out in these Terms.

b. theft of baggage resulting from a break-in at a residence, vehicle, caravan, or boat.

What is not covered by the insurance?

The insurance does not cover:

a. cash, travel tickets, traveller's cheques, bonds or other securities, documents, manuscripts, and stamps.

b. fragile items, televisions, tablets, recording equipment, cameras, glasses, electronic equipment, and other similar equipment, in respect of internal damage such as mechanical failure, short circuits, and other damage to electrical systems.

c. damage caused by moths, pests, atmospheric conditions, weather, normal wear and tear, or other damage that does not impair the usability of the insured item (scratches, dents, bruising, or abrasion).

d. damage to baggage caused by liquids, food, and other contaminating substances carried in the baggage, unless a public transport vehicle is involved in an accident or a collision between vehicles occurs and the loss is not recoverable under their liability insurance.

e. damage to clothing, sports equipment, sporting gear, outdoor and camping equipment, as well as other items while in use.

f. damage and/or delays resulting from confiscation or seizure of items by customs authorities or other authorities.

g. damage to bags while in the custody of an airline or other carrier.

h. damage caused by inadequate or poor packaging.

i. theft of items from checked baggage.

j. theft or burglary that the insured, intentionally or negligently, has not reported to the police within 24 hours of it occurring or becoming known.

k. theft of, and/or damage to, bicycles stored outdoors.

l. computer data or software.

Safety Regulations

a. The insured shall take good care of their baggage and take the necessary measures, as far as reasonably possible, to prevent loss.

b. Residences, vehicles, and other places where valuables are kept shall be securely locked whenever unattended or when occupants are asleep. Windows shall also be closed and latched, and other precautions taken to ensure that unauthorised persons do not have ready access to valuables.

c. Insured items shall not be left unattended in public places, such as service counters, bathing areas, campsites, public restrooms, with a carrier, etc. Care shall also be taken to take insured items along when leaving a location.

d. The insured shall ensure that insured items are in suitable and adequate packaging to withstand transport.

What is insured?

Baggage is the insured property. Baggage is considered to comprise only personal movable property that the insured brings with them on the trip.

Sum Insured

The sum insured is stated in the policy. Where the value of the baggage exceeds the sum insured, compensation is paid proportionally.

The maximum compensation for each individual item, pair, or set within the baggage is stated in the policy, and the Company's liability is limited to that amount, unless the item has been separately valued, specified, and listed on the policy, with a special premium paid for it.

For each loss, the insured bears a deductible of 25%. The minimum deductible amount for each loss is stated in the policy.

Determination of Compensation

Compensation is based on restoring the insured's financial position, as far as possible, to what it was before the loss.

Compensation shall be based on the value, as of the date of loss, of a new item comparable to the one damaged. The Company may deduct from compensation any depreciation in value due to age, use, and other factors that may affect the value of the item.

Notwithstanding the first paragraph, depreciation for the following items may not exceed what is set out in the table below. Depreciation can never exceed 70%.

Type	Years before depreciation	Depreciation per year thereafter
Clothing	1 year	20%
Electrical appliances	1 year	10%
Cameras	1 year	15%
Bicycles	1 year	15%
Glasses and hearing aids	1 year	10%
Ski, golf, and outdoor equipment	1 year	10%

The following items are fully depreciated after 3 years, starting once the item is 12 months old from the date of purchase, and every 6 months thereafter.

Type	Depreciation interval	Depreciation
Smartphones and mobile phones, including accessories	Every 6 months	20%

The following items are fully depreciated after 5 years:

Type	Years before depreciation	Depreciation per year thereafter
Tablets and handheld computers, including accessories	1 year	20%
Desktop and laptop computers, including accessories	1 year	20%
Smartwatches and smart devices, including accessories	1 year	20%

Measures Following a Loss

Where a loss covered by this insurance occurs, the insured shall take the measures necessary to prove that the loss event took place. Theft, robbery, or burglary shall be reported immediately to the police in the country where the event occurred, with a request for investigation. The police report shall accompany the claim notification to the Company. Any loss shall always be reported to the tour guide, if one is available.

Where baggage is damaged or lost during a flight, or while in the custody of an airline, the injured party is required to report the damage/loss immediately upon landing, or within 7 days, to the airline's service desk on the designated form (a P.I.R. report). The injured party shall submit a copy of the report to the Company when reporting the loss.

Notification of loss shall be sent to the Company without undue delay. The Company may require a detailed itemisation and valuation of the insured items. The Company may require the damaged items to be presented.

Chapter 4. General Provisions

Commencement

The insurance is valid for the period specified in the insurance policy. This is a short-term insurance policy and does not renew unless otherwise agreed.

Who is insured or co-insured?

The insured is the person specified in the policy.

Where does the insurance apply?

The insurance applies while travelling abroad for general tourists and students. Where the insured engages in any form of work abroad, this may be included in the insurance by endorsement on the policy and payment of an additional premium.

These Terms are effective from 1 December 2025.

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