Semi-Comprehensive Vehicle Insurance

Policy Terms no. B-5

This document is an AI translation of the official Icelandic text. In the event of any discrepancy between the translation and the original Icelandic version, the Icelandic version shall take precedence.

The insurance is governed by the insurance certificate together with its endorsements and special terms, these policy terms, the company's general terms no. AS-1, and the provisions of the Insurance Contracts Act no. 30/2004.

Provisions in the general terms take precedence over provisions in these terms where there is any conflict.

In these terms, the term "the company" refers to Vörður tryggingar hf.

Art. 1. What does the insurance cover?

The insurance covers damage to the vehicle itself caused by fire, theft, rollover and/or overturning, and windscreen breakage, in accordance with the following detailed provisions:

1.1 The insurance covers damage to the vehicle itself caused by lightning and fire, or explosions caused by fire.

1.2 The insurance covers loss arising from the vehicle being stolen, including damage caused in the course of gaining access to the vehicle, such as doors being forced open, windscreens broken, and ignition locks damaged. The company requires a police report as proof of loss under this provision.

1.3 The insurance covers damage to the vehicle arising from it rolling over or overturning. However, damage is excluded to the extent that it is the result of a collision and/or impact before the vehicle rolled. Rollover only includes damage occurring when a vehicle turns over or falls onto its side such that the wheels no longer touch the ground. The policyholder's own risk is 50% in each such individual loss.

1.4 The insurance covers breakage of all windscreens of the vehicle, regardless of cause, as well as the labour cost of replacing them. Chipping, scratching, or scuffing of a windscreen does not constitute breakage. A windscreen that breaks during removal or fitting is not covered. The policyholder's own risk is 20% in each individual windscreen loss.

Art. 2. What does the insurance not cover?

The company does not cover:

2.1 damage to the vehicle's electrical equipment caused by a short circuit;

2.2 fire damage caused by a collision and/or impact;

2.3 damage due to rollover and/or overturning that is the result of a collision and/or impact;

2.4 damage to any kind of specialist equipment on vehicles, e.g. two-way radios, fare meters, tail lifts, goods vehicle cranes, painted advertisements, etc., unless otherwise stated on the certificate;

2.5 damage not considered to constitute fire, such as where only a burn mark appears on upholstery, mats, carpets, or similar;

2.6 loss where the driver, due to prior consumption of alcohol, stimulants, or sedatives, is considered unable to operate the vehicle safely or is unfit to do so, cf. the provisions of road traffic legislation;

2.7 damage occurring when the vehicle is driven by someone who has not obtained a valid driving licence for the vehicle or its use;

2.8 damage due to rollover and/or overturning in connection with racing or test driving;

2.9 damage due to rollover and/or overturning that solely affects wheels and tyres, as well as theft of individual parts of the vehicle and damage resulting from such theft.

Art. 3. Who is insured?

The owner of the vehicle specified on the insurance certificate or renewal receipt is insured.

Art. 4. Driving abroad

The insurance does not apply to driving outside Iceland unless specifically agreed with the company. The same applies while the vehicle is in transit between countries.

Safety regulation 4.1: The vehicle must be securely locked when left unattended and windows or the sunroof must be closed. Vehicle keys must be stored in a secure location where unauthorised persons do not have easy access.

Safety regulation 4.2: The insured must be in a physical condition to operate the vehicle safely and must not be under the influence of alcohol, stimulants, or sedatives.

Safety regulation 4.3: The insured must be competent to operate the vehicle safely and must hold the required licence to do so.

Safety regulation 4.4: The insured and the person in charge of the vehicle must ensure that it is in a legally required condition, that the vehicle is presented for mandatory inspection, and that the vehicle is maintained in accordance with the manufacturer's instructions and service manual. Particular care must be taken to ensure that safety equipment is in order.

Art. 5. Reference to other company terms

In all other respects not covered here, Arts. 7–19 of the company's Policy Terms no. B-2 on comprehensive vehicle insurance apply to this insurance, as applicable.

These terms are valid from 01.01.2020