Home Protection 3

Policy Terms E-33

Home Protection 3 provides comprehensive and all-inclusive coverage and includes all key insurances necessary for a home and family. The insurance includes certain core components, including contents insurance and leisure-time personal accident insurance, with optional travel insurance also available.

The insurance consists of the 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, hereinafter referred to as ICA. Provisions in these terms take precedence over provisions in the general terms where there is any conflict.

When the premium for this insurance is paid, a natural disaster insurance premium is also paid simultaneously. The movable property covered by the fire insurance is thereby automatically insured against natural disasters, such as earthquakes, avalanches, volcanic eruptions, and other comparable events, as further provided in Act no. 55/1992 on Natural Disaster Insurance of Iceland.

Definitions

The company: Vörður tryggingar hf.

Policyholder: The individual who takes out the insurance in their own name and is also the premium payer.

The insured/s: The policyholder, their spouse or cohabiting partner, and their unmarried children, provided these individuals share the same registered domicile in Iceland, live at the same address, and share a common household. The policyholder's spouse is also insured even if they have a different registered domicile. Children of the policyholder and children of their spouse or cohabiting partner who are under 18 years of age are insured even if their registered domicile in Iceland is at a different address from that of the policyholder. Parties registered on the certificate at the request of the policyholder are insured, provided they share the same registered domicile as the policyholder, share a common household, and live at the same address.

Home: The location stated on the certificate as the insured premises, which is also the registered domicile of the policyholder and their household members.

Combining rule: The combining rule is a calculation method for total permanent medical disability. If an injured party has suffered physical injury in a previous accident or has previously been assessed for permanent medical disability (impairment rating), the combining rule shall be applied. The same applies if an injured party suffers multiple injuries in a single accident. It is based, among other things, on the principle that permanent medical disability cannot exceed 100%. When the combining rule is applied, an assessment is made of how different symptoms of the injured party interact and contribute to permanent disability.

Contents: Movable property and personal belongings that accompany ordinary household use and are not considered part of the real property or its fixtures. Contents shall be deemed to include everything that the insured would generally take with them when moving between homes. Animals, caravans, mobile homes, boats, cars, and other motorised vehicles are not considered part of the contents, nor are goods intended for sale and/or processing.

Accident: The term "accident" refers to a sudden external event that causes bodily injury to the insured and occurs without their intent. For injuries to limbs and in cases of dental fracture, it is only required that the event be sudden and cause bodily injury to the insured

and occur without their intent. Death benefits are paid only where the accident is proven to be the direct and sole cause of the insured's death.

Permanent medical disability: Benefits for medical disability are calculated on the basis of a medical assessment of the extent of physical or mental injury deemed to have resulted from an accident. The injury shall be assessed in accordance with the scale of the Disability Assessment Committee. When determining the benefit amount for permanent medical disability, regard shall be had to the nature and extent of the consequences of the injury from a medical perspective. Permanent medical disability shall be assessed as an impairment rating and shall be based on the health of the injured party as it is when it has stabilised and when a physician considers that no further improvement is to be expected. Permanent medical disability is independent of the cause of physical injury in each case and no regard shall be had, when assessing it, to the education, occupation, or interests of the person who has suffered the physical injury.

Sum insured: The amount stated on the certificate as the maximum benefit for each individual insurance component.

Disability Assessment Committee: The Disability Assessment Committee consists of three members appointed under Art. 10 of the Damages Act. The Committee draws up an impairment rating scale. The scale assesses the reduction in physical and, where applicable, mental capacity of individuals who have suffered physical injury.

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Art. 1. Fire Insurance

What does the insurance cover?

The insurance covers loss of or damage to insured items caused by:

a. **fire.** Scorching or melting without the outbreak of fire is not considered fire within the meaning of this article.
b. **lightning.** Lightning refers to the thermal or mechanical effect of electricity in connection with the conduction of a lightning current to ground. The insurance covers damage caused by lightning even if no fire breaks out.
c. **explosion.** This refers to chemical reactions occurring instantaneously with significant heat generation and a powerful increase in the volume of substances.

d. **short circuit in electrical appliances.**
e. **soot fall from a recognised heating appliance or fireplace,** when damage occurs due to sudden and unforeseen circumstances.
f. **firefighting and rescue operations.** The company pays reasonable costs of salvaging, transporting, and storing insured contents when the purpose of the measures is to prevent or limit loss covered by the insurance. The same applies to contents lost during firefighting and rescue operations.
g. **a falling aircraft.** This refers to damage caused by an aircraft or part of an aircraft that crashes or falls from the sky. The insurance covers such damage even if no fire breaks out.

What does the insurance not cover?

The insurance does not cover loss or damage:

a. caused by scorching or melting that does not constitute fire, such as when an item is scorched by an iron, by embers from smoking, by fireplaces, or similar, nor damage to items intentionally exposed to fire or heat.
b. occurring as a result of work with explosives in construction operations.
c. caused by short circuit in appliances more than 10 years old.
d. caused by short circuit covered by the seller's warranty.
e. caused by short circuit or other damage attributable to a fault at the electricity utility that causes a voltage change.
f. caused by soot that has gradually accumulated through the use of heating appliances.

Art. 2. Water Damage Insurance

What does the insurance cover?

The insurance covers damage caused by:

a. water, oil, and steam that unexpectedly and suddenly flows from the building's pipes and originates within the walls of the building.
b. water that unexpectedly and suddenly flows from waterbeds or fish tanks due to malfunction.
c. water that overflows from sanitary appliances due to malfunction or error, and leaks from freezers and refrigerators.
d. surface water caused by a sudden cloudburst or snowmelt where the volume of water becomes so great that drainage pipes cannot carry it away. The insurance only covers damage under this article caused by water entering through seals along doors or windows at ground floor level or in the basement of the property.
    - A cloudburst is considered to have occurred when precipitation has exceeded 15 mm over a 3-hour period or over 80 mm over a 24-hour period.
    - Snowmelt is considered to occur when snow or ice melts due to warming where temperatures in lowland areas reach at least 5°C for 36–48 hours, with heavy precipitation and strong winds of at least 10 m/s.

What does the insurance not cover?

The insurance does not cover damage:

a. occurring when water flows unexpectedly or suddenly from drains or gutters.

b. caused by external water, such as groundwater, precipitation, flooding, or water from gutters or their drainage pipes.
c. caused by water backing up from sewage or drainage pipes, or if drainage pipes suddenly cannot carry all the water received, except where a pipe becomes blocked or bursts indoors.
d. caused by external water from roofs, gutters, balconies, or by tidal surges, flooding, or groundwater.

Safety regulations

a. In unheated premises, the water supply shall be shut off and water pipes together with attached appliances shall be drained when there is a risk of frost.
b. The insured is required, to the extent within their control, to keep drains clear by removing soil or ice from them.

Art. 3. Burglary Insurance

What does the insurance cover?

The insurance covers loss caused by:

a. burglary into a locked dwelling, vehicle, private boat, or private aircraft.
b. burglary into a summer house, mobile home, or fishing hut while occupied.
c. damage to the dwelling as a result of the burglary, excluding broken windowpanes, up to 5% of the contents sum insured.
d. the maximum benefit for any single burglary loss in a vehicle, private boat, private aircraft, garage, or storage outside residential premises is 5% of the contents sum insured.

Safety regulations

a. Residential premises, vehicles, and other locations covered by this insurance must be securely locked when unoccupied or when household members are asleep.
b. The insured must close and latch windows and otherwise ensure that unauthorised persons do not have easy access to valuables.

A condition of the company's payment obligation is that a police report is submitted as evidence of loss and that there are clear and unambiguous signs at the scene that a break-in has occurred.

Art. 4. Theft and Robbery Insurance

What does the insurance cover?

The insurance covers loss caused by:

a. theft from an unlocked dwelling, excluding cash, securities, jewellery, and manuscripts. Benefits are limited to 5% of the sum insured.
b. theft from a primary school, excluding cash and jewellery. Benefits are limited to 5% of the sum insured. This provision applies only to theft of items belonging to primary school pupils and also applies in sports halls, leisure centres, and swimming pools operated by the primary school when pupils are under a teacher's supervision.
c. theft of a bicycle, electric bicycle, light moped in class I as defined by traffic legislation, pram, or pushchair. Maximum benefits are 3% of the sum insured.

d. robbery, i.e. the taking of insured items by physical violence or the immediate threat of physical violence.

A condition of the company's payment obligation is that a police report is submitted as evidence of loss and that there are clear and unambiguous signs at the scene that a break-in has occurred.

What does the insurance not cover?

The insurance does not cover damage arising from:

a. theft from a dwelling, mobile home, or summer house that has been unoccupied for 6 months.
b. theft from premises or vehicles that the insured rents or lends to others.
c. theft from tents or caravans.

Safety regulations

a. Residential buildings, vehicles, garages, other storage areas, and places of residence must be locked, windows closed and latched.
b. An unlocked dwelling must not be left unattended or when household members are asleep.
c. Only clothing should be left in coat hooks or unlocked lockers in a primary school, sports hall, swimming pool, or leisure centre.
d. Bicycles and light mopeds in class I must be locked when not stored in a locked building, and keys must be kept in a safe place.
e. Care must be taken in securing prams and pushchairs.

Art. 5. Breakage and Collapse Insurance

What does the insurance cover?

The insurance covers damage arising from the breakage or collapse of contents in the insured's home due to accidental failure.

What does the insurance not cover?

The insurance does not cover damage:

a. to tools, smart devices, hearing aids, dentures, glasses, or watches due to breakage or collapse.
b. caused by liquid spilled during breakage or collapse.
c. arising from breakage or collapse caused by human action.

Art. 6. Snow Load Insurance

What does the insurance cover?

The insurance covers damage caused by sudden snow load that has caused the roof or walls of the property to collapse, resulting in damage to the contents.

What does the insurance not cover?

The insurance does not cover damage:

a. caused by avalanches.
b. resulting from structural defects.
c. attributable to inadequate maintenance.

Art. 7. Storm and Adverse Weather Insurance

What does the insurance cover?

The insurance covers damage to insured items caused by severe weather (28.5 m/s or more) where the damage is the result of wind having breached the roof, windows, or other parts of the building. If verified information on wind speed at the location of loss at the time of the event is not available, regard shall be had, in determining liability, to whether general property damage occurred in the area due to severe weather at the time of the event.

Art. 8. Refrigerated and Frozen Goods

What does the insurance cover?

The insurance covers damage caused by an unforeseen shutdown of the cooling system of a refrigerator or freezer, provided this results in the spoilage of foodstuffs stored therein. Maximum benefits are 2% of the sum insured.

What does the insurance not cover?

The insurance does not cover damage to a refrigerator or freezer caused by an unforeseen shutdown of the appliance's cooling system if the appliance is older than 5 years and/or the seller's warranty does not cover the damage.

Safety regulation

The insured shall ensure that electrical appliances are used in accordance with operating instructions.

Art. 9. Laundry Overheating

What does the insurance cover?

The insurance covers damage caused by overheating (boiling) of laundry in a washing machine or dryer if the damage results from a malfunction of these appliances. A condition of payment of benefits is that the insured submits a repair invoice including the repairer's description of the malfunction.

What does the insurance not cover?

The insurance does not cover damage to the dryer or washing machine itself caused by overheating.

Safety regulation

The insured shall ensure that the washing machine or dryer is used in accordance with operating instructions.

Art. 10. Vandalism

What does the insurance cover?

The insurance covers damage arising from vandalism, i.e. intentional damage to insured items, but not if caused by the insured themselves or by any individual who has had authorised access to the insured's home.

What does the insurance not cover?

The insurance does not cover damage:

a. arising from vandalism to items that were outdoors at a location other than the insured's home.

b. caused by the insured themselves or by any individual who has had authorised access to the insured's home.

A condition of the company's payment obligation is that a police report is submitted as evidence of loss.

Art. 11. Traffic Accident

What does the insurance cover?

The insurance covers damage arising from a traffic accident, i.e. damage to contents inside a vehicle involved in a traffic accident that is not covered by other insurance.

What does the insurance not cover?

The insurance does not cover damage occurring during a house move or paid transportation, nor damage covered by other insurance during transportation.

Art. 12. What is insured?

Contents insurance covers general contents owned by the insured located at the home specified on the certificate.

General contents are:

a. Contents and personal belongings that accompany ordinary household use and are not considered part of the real property or its general fixtures. Animals, caravans, mobile homes, boats, motorised recreational equipment, cars, and other motorised vehicles are not considered contents within the meaning of these terms.
b. Glasses, dentures, and hearing aids owned by the insured.

In addition to contents under items (a) and (b) of Art. 12, the following items are covered subject to the limits specified in each item:

c. Cash, securities, manuscripts, original drawings, coin and stamp collections are covered up to 2% of the contents sum insured as stated on the certificate, provided these items are at the insured's registered domicile when the insured event occurs.
d. Jewellery and watches are covered up to 10% of the contents sum insured as stated on the certificate, provided these items are at the insured's registered domicile when the insured event occurs.
e. Child car seats, roof bars, ski racks, bicycle racks, and travel boxes, whether stored in a garage or other storage at the policyholder's home as stated on the certificate or attached to or in the insured's private vehicle.
f. Tools, spare parts, and equipment owned and used by the insured as an employee in their occupation. Maximum benefits are 5% of the contents sum insured.
g. One set of summer or winter tyres per private car registered to the insured, stored in a garage or other storage. Maximum benefits are 5% of the contents sum insured.
h. Accessories and spare parts belonging to a motorised vehicle, mobile home, folding camper, caravan, or pleasure boat owned by the insured and for private use, stored in a garage or other storage. Maximum benefits are 2% of the contents sum insured.

Art. 13. Items located away from home

a. The insurance covers general contents located temporarily elsewhere in Iceland for up to 3 months, in accordance with Chapter 1. General contents in summer houses, personal property in horse stables, or other comparable valuables permanently located away from home are not covered by this insurance. Benefits under this item are limited to 15% of the sum insured, subject to the provisions of Chapter 1. Separate insurance can be purchased for the risks excluded under this article.
b. The insurance covers contents under Art. 12 that are placed in storage due to construction work at the insured's home or during a move, for up to 12 months from the start of the storage period.

Art. 14. Settlement of claims

Benefits are based on restoring the insured's financial position to what it was before the loss, to the extent possible.

The company may compensate a loss by cash payment, by paying the cost of adequate repair of the damaged item, or by providing the insured with an equivalent replacement. Where a cash payment is made, the amount of benefits shall not exceed the amount the company would have paid for repair or replacement of the insured item.

Benefits are paid on the basis of the replacement cost of new items less depreciation for age and use.

For benefits relating to the following items, the company is entitled to apply the following depreciation tables. Depreciation may never exceed 70%.

Type	Years without depreciation	Depreciation rate
Adults' clothing	1 year	20%
Children's clothing	1 year	30%
Furniture	1 year	10%
Electrical appliances	1 year	10%
Bicycles, e-bikes, and light mopeds	1 year	15%
Floor carpets and other loose flooring	1 year	20%
Ski, golf, and outdoor equipment	1 year	10%
Cameras and accessories	1 year	15%

Glasses	1 year	10%
Hearing aids	1 year	20%

The following items are fully depreciated after 3 years, first when the appliances are 12 months from the date of purchase, then at 6-month intervals thereafter.

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

The following items are fully depreciated after 5 years.

Type	Years without depreciation	Depreciation rate
Tablets and handheld computers including accessories	1 year	20%
Desktop computers, laptops, and components including accessories	1 year	20%
Smartwatches and smart devices including accessories	1 year	20%

a. Computer data and software are not covered.
b. Sentimental value is not covered.
c. Lost or stolen items that come to light after a benefit payment has been made are the property of the company and shall be returned to it. The insured may however retain the items by reimbursing the benefits paid. The company may require presentation of damaged items that it has fully compensated.

Art. 15. Additional costs due to temporary relocation

The insurance covers damage to insured items that may arise from necessary measures to protect them from imminent covered loss. If the insured is required to vacate their home due to a covered loss there, unavoidable additional costs shall be covered, including rent for comparable accommodation, but never exceeding 1% of the sum insured per month. Benefits shall not be paid for a period exceeding 6 months.

Art. 16. Where does the insurance apply?

Contents insurance applies only in Iceland. When the policyholder is in the process of moving, the insurance applies for 30 days at both the former and new residence of the policyholder.

Chapter 2. Contents All-Risks (optional)

The insurance is included if stated on the certificate.

Art. 17. What does the insurance cover?

The insurance covers damage attributable to sudden and unforeseeable external events during the policy period that are not covered under Chapter 1 on contents insurance or the provisions of Chapter 11 on baggage insurance abroad, even if full benefits are not payable for the loss in question.

Art. 18. What does the insurance not cover?

The insurance does not cover damage:

a. caused by theft.
b. caused by sudden changes in temperature and/or humidity.
c. attributable to ordinary wear and tear or inadequate maintenance, or damage that causes only a cosmetic defect without reducing the utility of the insured item.
d. attributable to animals.
e. attributable to defects, incorrect assembly, or internal failures, such as mechanical malfunctions.
f. arising from lost or damaged data and/or software.
g. to cash, securities, manuscripts, coins, stamp collections, or sentimental value.
h. attributable to mould or fungal growth.
i. attributable to an insured item being misplaced, forgotten, lost, or left behind in a public place.
j. attributable to any kind of pest.

Art. 19. Safety regulations

a. The home, vehicles, and other places where valuables are stored must be securely locked when unoccupied or when household members are asleep. Windows must also be closed and latched and otherwise secured so that unauthorised persons do not have easy access to valuables.
b. The insured must not leave insured items unattended in public places and must take care to take them along when leaving a location.
c. The manufacturer's instructions regarding handling, installation, use, and maintenance of the insured item must be followed.

Art. 20. What is insured?

The insurance covers general contents and personal belongings that accompany ordinary household use. The insurance also covers contents under items (d) and (e) of Art. 12 of Chapter 1 of these terms.

Art. 21. Where does the insurance apply?

The insurance applies in Iceland and while travelling abroad for 92 consecutive days from the date of departure from Iceland and back, but only if the insured also holds baggage insurance with the company as part of this insurance.

Art. 22. Other provisions

In all other respects, the terms of the contents insurance apply to this insurance as applicable.

Chapter 3. Personal Liability Insurance

The role of liability insurance is to pay compensation to an injured party where the insured has incurred tortious liability and the injured party is not contributorily negligent or responsible. It also covers costs incurred by the insured if a liability claim is brought against them. As tortious liability is often a complex legal matter, the insured should consult the company regarding their legal position if a claim for damages is brought against them in connection with a loss for which they are considered at fault. The insured's acknowledgement of their own liability is binding on the insured alone and not on the company. By making such an acknowledgement, the insured therefore risks having to pay damages personally in respect of a loss that is not covered by the liability insurance.

Art. 23. What does the insurance cover?

The insurance covers:

a. liability falling on any of the insured individuals under Icelandic law, provided the liability is a direct consequence of personal injury or property damage (including real property and animals) and is no broader than standard tort liability outside contract. The insurance covers such loss to the extent that the injured party (third party) is not required to bear the loss themselves due to contributory negligence or responsibility.
b. loss caused by a child under 10 years of age, regardless of tortious liability under law, to the extent that the injured party (third party) is not required to bear the loss themselves due to contributory negligence or responsibility. Such extended liability does not apply when a child under 10 years of age is involved in a traffic accident and damage occurs to a registered motorised vehicle in use.
c. loss caused by any of the insured in a tortious manner as a user of a light moped in class I, bicycle, or micro-mobility device as defined by traffic legislation. Where the loss is caused by a motorised vehicle, it is a condition of coverage under this provision that the vehicle cannot exceed 25 km/h under its own electric or mechanical power.
d. the cost of a defence approved by the company.

If another insurance covers loss under item (b) of Art. 23, no right to benefits arises under Art. 19 of the Damages Act no. 50/1993.

Art. 24. What does the insurance not cover?

The insurance does not cover:

a. loss that the insured persons cause to one another.
b. loss arising from the insured's occupation, whether involving their own business or work in the service of others.
c. damage to items that the insured has in their custody for use, storage, or for other reasons.
d. damage to items taken by the insured without authorisation.
e. liability claims falling on the insured as owners or users of: real property; aircraft, including accessories (drones) of any kind unless otherwise agreed; pleasure boats; or any motorised vehicles or machinery, subject to item (c) of Art. 23; horses, dogs, other livestock, or pets.
f. liability claims for loss to property caused by fire, water in connection with firefighting, smoke, soot, or explosion.
g. fines, legal costs, or other expenses in connection with criminal proceedings.

h. recourse claims from the Social Insurance Administration, Sjúkratryggingar Íslands (Icelandic Health Insurance), or other comparable institutions.
i. loss caused by air, soil, vegetation, sea, or water pollution. The company will, however, cover such loss if it can be attributed to a single unexpected event.
j. loss caused by firearms.
k. contractual liability, i.e. loss for which the insured is responsible due to a breach of contract.
l. loss arising from an act of violence or participation in a criminal offence by the insured.
m. loss caused by prolonged dampness, water leakage, mould, or fungal growth.

Art. 25. Safety regulations

The insured is prohibited from modifying or altering any type of vehicle such as e-bikes, micro-mobility devices, or light mopeds in class I in such a way that the vehicle can exceed 25 km/h under its own electric or mechanical power.

Art. 26. Where does the insurance apply?

The insurance applies in Iceland and while travelling abroad for up to 92 days counted from the date of departure from Iceland.

Art. 27. Sum insured

The maximum sum insured for each insured event is the maximum principal amount guaranteed by the company. If more than one loss event arises from the same cause, they are deemed to result from a single insured event.

The company pays interest on the compensation amount and costs incurred with the company's approval to determine the insured's liability, even if the company's payment thereby exceeds the sum insured. If the sum insured is lower than the principal of the compensation amount, only the portion of costs and interest corresponding to the sum insured shall be paid.

Art. 28. Policy period

The liability insurance covers events occurring during the policy period, even if the consequences do not become apparent until later. The insurance does not, on the other hand, cover events occurring before the insurance was taken out.

Art. 29. Handling of liability claims

If a liability claim is made against the insured, the company has the right to manage that claim and is authorised to take all measures to handle it, such as acknowledging liability, defending the claim, or reaching a settlement, and such measures are at the company's expense, as are any legal costs in connection therewith.

The company is not bound if the insured pays or acknowledges a liability claim, unless it is established that the insured did only what was legally required of them when paying the claim or acknowledging its validity.

Chapter 4. Leisure-Time Personal Accident Insurance

Art. 30. What does the insurance cover?

The company pays benefits for accidents suffered by the insured as set out in these terms. The insurance applies during leisure time, household activities, and studies, and the company pays benefits if an accident suffered by the insured results in:

a. domestic medical expenses
b. permanent medical disability
c. temporary incapacity for work
d. dental fracture
e. death

Art. 31. Domestic medical expenses

a. The company pays domestic medical expenses resulting from a covered accident upon presentation of invoices and payment receipts. The maximum benefit for each individual loss is stated on the certificate.
b. The company does not cover medical expenses that the insured is entitled to have reimbursed by Sjúkratryggingar Íslands (Icelandic Health Insurance).

Art. 32. Benefits for permanent medical disability

a. If an accident causes permanent physical injury to the insured within three years of the date of the accident, disability benefits are paid on the basis of the base sum insured in force on the date of the accident.
b. Disability shall be assessed as a percentage in accordance with the impairment rating scale of the Disability Assessment Committee in force at the time the assessment is made. If the injury sustained by the insured is not listed in the Committee's scale, it shall be assessed separately, with reference to the scale. Disability may never be assessed at more than 100%.
c. If the accident results in permanent medical disability, the company and the insured shall agree on a single qualified medical assessor to evaluate the consequences of the accident.
d. Accidents resulting only in disfigurement are not covered.
e. In determining disability (medical disability), no regard shall be had to the occupation, special abilities, or social position of the injured party.
f. Loss or impairment of a limb or organ that was non-functional prior to the accident does not give rise to disability benefits. In the case of loss or impairment of a limb or organ that was previously impaired, disability shall be assessed taking into account the pre-accident impairment. If the loss of a limb or organ is not total, the disability is compensated proportionally.
g. Disability is assessed at the earliest one year after the accident, with reference to the condition of the injured party at that time, or when a physician considers the permanent consequences of the accident to have become apparent, but no later than three years after the accident. If the injured party or the company considers that the disability may change, either party may request that the final disability assessment be deferred, but by no more than three years from the date of the accident. Either party may request a new disability assessment after one year from the previous assessment. The injured party is then required to submit to an examination by a physician appointed by the company. If the injured party fails to comply with this obligation, the company may suspend payments to them until the examination has taken place.
h. The company reserves the right to apply the combining rule when assessing permanent medical disability.
i. Even if there are grounds to expect that 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 such cases, disability shall be determined on the basis of what may be expected to be the final outcome. If there is a

prospect that the injured party's condition could be improved by medical treatment or rehabilitation and they refuse without valid reason to undergo such treatment, the disability assessment shall nevertheless take into account the potential improvement that such treatment might bring about.

j. Benefits for permanent disability are paid in proportion to the base disability benefit amount in force on the date of the accident as stated on the certificate, with the following multipliers: each percentage point of disability from 26–50% counts double, each percentage point from 51–75% counts quadruple, and each percentage point from 76–100% counts sextuple. Benefits for disability assessed at 100% will therefore equal 325% of the base disability benefit amount stated on the certificate.

Art. 33. Benefits for temporary incapacity for work

a. If an accident causes temporary incapacity for work, the company pays daily allowances at the level in force on the date of the accident. The daily allowances are paid in proportion to incapacity from the end of the waiting period, for as long as the insured is incapacitated in the opinion of a physician, but for no longer than 46 weeks and not for any period after three years from the date of the accident.
b. The waiting period refers to the period that, according to the certificate, must elapse from the date of the loss before daily allowance payments commence. No daily allowance is paid for this period.
c. If the insured's incapacity is attributable in part to causes other than the accident, the daily allowance is reduced in direct proportion to the contribution of those causes to the incapacity.
d. The company does not cover temporary incapacity for work of less than 50% of unimpaired working capacity. The company assesses the extent and permanence of incapacity on the basis of medical certificates and other available documentation.
e. The company does not pay benefits for temporary incapacity for work if it results from a registered motorised vehicle.
f. The company does not pay benefits for temporary incapacity for work once it has become permanent according to a medical certificate or disability assessment.

Art. 34. Benefits for dental fracture

a. The company pays for the repair of healthy and well-maintained teeth that are damaged or broken in an accident. However, the company's payment is limited to 6.5% of the base disability benefit amount per accident, and aggregate payments for accidents in a single policy year are limited to 10% of the same amount.
b. The company does not pay for teeth broken in a workplace accident in accordance with the Health Insurance Act no. 112/2008, or for fractures occurring while the insured is eating. The insurance only covers dental damage that cannot be recovered from another party, e.g. Sjúkratryggingar Íslands (Icelandic Health Insurance) or mandatory motor vehicle insurance.
c. The insurance only covers dental damage that cannot be recovered from another party, e.g. the Social Insurance Administration, in accordance with the Health Insurance Act no. 112/2008 and Regulation no. 451/2013 on health insurance contribution to dental treatment costs.

Art. 35. Death benefits

a. If the insured dies as a result of an accident within one year of the date of the accident, the sum insured in force on the date of the accident is paid, less any benefits for permanent disability already paid by the company in connection with the same accident.
b. Death benefits are paid only where 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.
c. If the insured is a child, death benefits are paid to their parents, or to the parent who is considered insured under this insurance if both are not considered insured. If neither of these applies, the company pays death benefits to the beneficiary under the Inheritance Act no. 8/1962 or a will.
d. If the insured has no dependants, 25% of the sum insured is paid. A dependant refers to a person who demonstrably supports a child or an adult.
e. If the insured dies as a result of an accident, the company is entitled to have the deceased examined post-mortem to establish the cause of death and other matters relevant to the company's payment obligation.

Art. 36. General sports activities

The insurance covers accidents occurring during general sporting activities.

The insurance does not, however, cover accidents occurring in competition or in training in preparation for competition in sports organised by regional bodies and specialist associations, clubs within the specialist associations of the Icelandic Sports Confederation (ÍSÍ), and registered clubs with an identification number whose primary purpose is sporting activity. These exclusions do not, however, apply to children under 18 years of age.

These exclusions do not apply to training or competition in golf, cross-country skiing, street cycling, off-road cycling, cross-country running, or road races open to public participation without minimum skill or ability requirements, provided the activity is undertaken as a hobby.

Art. 37. What does the insurance not cover?

The insurance does not cover accidents:

a. occurring in boxing, combat, wrestling, or self-defence sports where the purpose of the sport is to strike, kick, or otherwise engage with an opponent. This exclusion does not, however, apply to children under 18 years of age.
b. occurring in motorsport.
c. occurring in abseiling, rock climbing, mountaineering, or ice climbing.
d. occurring in any type of mountain hiking where the altitude exceeds 4,000 metres above sea level.
e. occurring in diving with oxygen equipment or freediving (without oxygen) at depths greater than 10 metres.
f. occurring in bungee jumping, skydiving, BASE jumping, and other comparable activities.
g. occurring in hot air ballooning, hang-gliding, paragliding, kite surfing, microlight flying, and other comparable activities.
h. occurring in other extreme sports comparable in nature to those listed above.
i. caused directly or indirectly by terrorism, biological or chemical effects and/or poisoning of any kind, including bacteria and viruses, or where the consequences of an accident are aggravated by the foregoing.

j. occurring in flight, unless the insured is a passenger on scheduled or charter flights operated by a party holding the required licences from the relevant aviation authorities.
k. occurring as a result of sun therapy, medical treatment, surgery, or medication, unless carried out on medical advice in connection with a covered accident and at a recognised healthcare facility.
l. occurring as a result of medication with sedating effects.
m. occurring as a result of food and/or beverage poisoning.
n. occurring as a result of consuming alcohol, narcotics, or other recreational substances.
o. suffered by the insured while engaged in an act of violence or participating in a criminal offence.
p. caused by infection from an insect bite or sting.
q. caused by toxic gases, unless the accident occurred suddenly and without the intent of the insured.
r. caused by a registered motorised vehicle in Iceland.
s. caused by a registered motorised vehicle abroad if the loss falls under the vehicle's insurance or is recoverable from a compensation fund in the relevant country.
t. caused by vehicles capable of exceeding 25 km/h under their own electric or mechanical power. Accidents caused by the use of electric bicycles and other micro-mobility devices and light mopeds in class I as defined by the Road Traffic Act no. 77/2019 are, however, covered.
u. suffered by the insured in the course of employment, whether paid employment or profitable work for their own or another's benefit that carries occupational accident risk. Accidents occurring on the direct route to and from work are considered workplace accidents and therefore do not fall within the scope of this chapter.

Art. 38. Other limitations on payment obligation

The company does not pay benefits, even if an accident is proven to be the cause, for the following diseases or conditions: disc herniation, lumbago sciatica, rheumatoid arthritis, osteoarthritis, or any other rheumatic disease. If diseases, weakness, or medical conditions of the insured are contributing causes of their death, no death benefits are paid. This applies regardless of whether the condition was present when the accident occurred or developed subsequently, without being the direct and sole consequence of a covered accident.

Art. 39. Age limits

If the insured is 70 years of age or older at the time of the accident, death benefits are the following percentages of the sum insured as stated on the certificate:

Age	Benefit percentage
70 years	80%
71 years	60%
72 years	50%

73 years	40%
74 years	35%
75 years	30%
76 years	25%
77 years and older	20%

If the insured is 60 years of age or older at the time of the accident, disability benefits are the following percentages of the sum insured as stated on the certificate:

Age	Benefit percentage
60–62 years	95%
63–64 years	90%
65–66 years	85%
67–68 years	70%
69–70 years	60%
71–72 years	50%
73–74 years	40%
75–76 years	30%
77 years and older	20%

Children under 18 years of age are not insured against temporary incapacity for work and are not entitled to death benefits exceeding 25% of the accident insurance death benefit.

If the insured is between 67 and 70 years of age at the time of the accident, the maximum benefit for temporary incapacity for work is based on 50% of the base weekly benefit amount.

If the insured is 71 years of age or older at the time of the accident, they are not insured against temporary incapacity for work.

Art. 40. Measures following an accident

When an accident occurs, the company is entitled to obtain information on the insured's prior medical history. The company pays the cost of necessary medical certificates in connection with an insured event when these are obtained at the company's request. Necessary certificates are injury certificates, incapacity certificates, and the treating physician's final certificate. The company's approval is required for obtaining other certificates.

Art. 41. Where does the insurance apply?

The insurance applies:

a. anywhere in the world.
b. for students abroad for up to 9 months from the date of departure from Iceland.

Art. 42. Index-linking of benefit amounts

Benefit amounts are calculated on the basis of the sum insured on the date of the accident but are adjusted in accordance with the consumer price index based on the price level at the beginning of the following month, as follows:

a. Death benefits are adjusted in direct proportion to changes in the index from the date of the accident to the date of death.
b. Disability benefits are adjusted in direct proportion to changes in the index from the date of the accident to the date of settlement. Index-linking of disability benefits does not, however, apply for longer than three years from the date of the accident.
c. Daily allowances are adjusted at any given time in direct proportion to changes in the index from the date of the accident.

Chapter 5. Child Care Insurance

Art. 43. What does the insurance cover?

The company pays benefits for:

a. hospitalisation, when a child under 18 years of age is required, on medical advice, to be admitted to hospital for more than 5 consecutive days due to illness or accident. Benefits are paid to one custodial parent, provided the child's circumstances require the presence and/or attendance of the insured.
b. the cost of necessary medical certificates in connection with an insured event when these are obtained at the company's request.
c. a maximum of 180 days for the same illness or accident. Medically related illnesses are treated as a single illness case.
d. if benefits have been paid under item (a) and the child is re-admitted to hospital within twelve months of the end of the previous hospitalisation for the same illness or accident, one custodial parent is entitled to benefits from the date of admission, provided the 180 benefit days have not been fully used.

Art. 44. What does the insurance not cover?

The insurance does not cover:

a. diseases present at birth or diagnosed within 90 days of birth.
b. symptoms that subsequently lead to a diagnosis that a disease was present at birth.

c. diseases that were present, or accidents that occurred, before the insurance was taken out.
d. hospitalisation after the insurance has lapsed.

Art. 45. Settlement of claims

When a claim is submitted, a physician's certificate must be provided stating when the disease was first diagnosed or when and how the accident occurred. Written confirmation from the hospital regarding the length and reason for the child's hospitalisation must also be submitted.

Chapter 6. Legal Expenses Insurance

The role of legal expenses insurance is to pay legal costs in connection with civil disputes. It is a condition of coverage that legal assistance is sought. The lawyer shall notify the company upon taking on the case before any further action is taken. The lawyer may, however, carry out any steps in the case that cannot be delayed. The company is obliged, on the basis of available information, to notify whether the case as such is covered or not.

Art. 46. What does the insurance cover?

The insurance pays:

a. in respect of each loss, necessary and reasonable legal and court costs that the insured cannot recover from the opposing party or the public. Benefits are therefore not paid if the insured foregoes the possibility of recovering costs from the opposing party with or without litigation.
b. legal fees and costs. The company may make it a condition of payment that the insured submits a dispute regarding the reasonableness of the legal fees to the disputes committee of the Icelandic Bar Association under Art. 26 of the Act on Lawyers no. 77/1998. In such cases, the company pays the filing fee.
c. the cost of obtaining expert opinions, if the insured's lawyer requests the opinion before proceedings are commenced, or where it is clear that a court judgment could not be obtained without such an opinion.
d. the cost of summoning witnesses or other submission of evidence before courts or arbitral tribunals.
e. court fees.
f. legal costs that the insured is ordered or required to pay to the opposing party by a court or arbitral tribunal at the conclusion of proceedings.
g. legal costs that the insured agrees to pay to the opposing party in a court settlement, where it is clear that a court would have ordered them to pay higher costs had judgment been given.

Art. 47. What does the insurance not cover?

The insurance does not cover disputes, cases, or claims relating to:

a. divorce or matters that may arise in connection with divorce. The same applies to matters relating to the dissolution of cohabitation and other matters relating to disputes over child custody and access rights.
b. the employment, business, or public service of the insured, including workplace accident cases.
c. a guarantee entered into by the insured.

d. financial transactions that are unusual or unusually extensive for an individual, or arising from an individual acting as guarantor for another.
e. a claim or other entitlement that has been assigned to the insured.
f. the insured as owner of real property.
g. the insured as owner, user, or operator of a motorised vehicle, mobile home or other trailer, aircraft, ship, steamboat, motorboat, or sailing vessel. Also other matters relating to the insured as an injured party in connection with a registered vehicle.
h. damages or other claims relating to conduct giving rise to suspicion or prosecution of the insured for a criminal offence.
i. bills of exchange and debt collection proceedings against the insured where the claim is undisputed or indisputable, and bankruptcy and composition proceedings where the insured is themselves bankrupt or seeking a composition.
j. proceedings against the company itself.
k. cases where there is no legitimate interest in obtaining a judgment. Such an interest is not deemed to exist where, for that reason, an application for legal aid has been refused or a grant of legal aid has been revoked.

Benefits are not paid to the insured for:

a. own work, loss of income, travel and accommodation costs, and other expenses.
b. enforcement of a judgment, award, or settlement.
c. additional costs arising from engaging multiple lawyers or changing lawyers.
d. payments to arbitrators.
e. additional costs arising from negligence on the part of the insured or their lawyer in the conduct of proceedings, or other negligence on their part.

Art. 48. What is insured?

The insurance covers disputes concerning the insured as an individual that come before the District Court, the Court of Appeal, or the Supreme Court in Iceland and are concluded by judgment, ruling, or court settlement under Art. 109 of the Act on Civil Procedure no. 91/1991. Where a dispute cannot be referred to the courts without prior proceedings in another forum, the insurance covers only costs incurred after the conclusion of such proceedings.

The insurance also covers retrial proceedings, but only where a retrial is permitted. The insured is required to seek to have legal costs paid by public authorities, e.g. to apply for legal aid, unless it is clear that they do not meet the conditions for doing so.

The insurance does not cover criminal cases, nor disputes that can only be decided by administrative authorities or special courts.

Art. 49. Where does the insurance apply?

The insurance applies in Iceland. The insured may also benefit from legal expenses cover if the events or circumstances forming the basis of the claim occurred in the Nordic countries or outside them while the insured was travelling and the dispute concerns them as a traveller.

Art. 50. Sum insured

The sum insured is stated on the certificate. In disputes concerning financial interests, benefits may never exceed the amount of the interests in dispute. A single loss is deemed to exist if the insured persons are parties on the same side of a dispute or case. If the insured is

involved in multiple disputes, such cases are treated as a single loss, provided the claims at issue are in substance of the same origin.

Where the same lawyer and/or law firm takes on a case in which five or more insured persons have the same legally protected interests, and their proceedings meet the conditions of the Act on Civil Procedure no. 91/1991 regarding joinder and/or class actions, the company never pays a higher proportion of the legal costs stated on the certificate than set out in the following table:

Number of insured	Percentage
5–15	80%
16–30	65%
31–50	40%
51+	30%

Art. 51. When may legal expenses assistance be requested?

Legal expenses assistance may be requested if the insurance is in force when the dispute arises and has been in force for at least two consecutive years. The insurance need not have been held with the company throughout; if the insured held equivalent insurance with another company, that period counts in their favour.

If the insured holds insurance when the dispute arises but has not held it for two years, they may still receive legal expenses assistance if the events or circumstances forming the basis of the claim occurred after the legal expenses insurance took effect.

If the insured no longer holds any legal expenses insurance when the dispute arises, they may still receive legal expenses assistance under this insurance if it was in force when the events or circumstances forming the basis of the claim occurred and no more than 4 years have elapsed since the event or circumstance.

Art. 52. Choice of counsel

It is a condition of coverage that the insured has sought the assistance of a lawyer who has taken on the case. The insured chooses their own lawyer from among members of the Icelandic Bar Association. A lawyer may not conduct their own case without the company's approval.

The company may request that the lawyers' disputes committee, cf. Art. 26 of Act no. 77/1998, review the reasonableness of the legal fees and costs.

Art. 53. Subrogation

To the extent that benefits under this insurance have been paid, the company acquires the insured's right to legal costs from the opposing party or public authorities.

Chapter 7. Trauma Insurance

Art. 54. What does the insurance cover?

The insurance pays the out-of-pocket cost of professional counselling upon presentation of payment receipts, if the insured has suffered psychological trauma or is experiencing psychological illness following any of the following events:

a. burglary at the insured's home.
b. significant property loss at the insured's home.
c. robbery of insured items from the insured by physical violence or the immediate threat of physical violence.
d. a serious accident suffered by any of the insured persons.
e. violence by a spouse or cohabiting partner.
f. the death of a spouse or child, or pregnancy loss.

Art. 55. What does the insurance not cover?

The insurance does not pay benefits for:

a. events that occurred before the insurance took effect.
b. difficulties not connected to a specific loss event as set out in Art. 54.

Art. 56. Where does the insurance apply?

The insurance applies in Iceland and following events occurring while travelling abroad for up to 92 consecutive days from the start of the trip from Iceland and back.

Art. 57. Sum insured

The maximum benefit per insured loss event and per insured person appears on the certificate.

Art. 58. Settlement of claims

The company's approval is required before counselling sessions in connection with the trauma begin.

The insurance pays the cost of up to 6 hours of counselling sessions at a recognised treatment facility in Iceland. Treatment must be completed within 12 months of the loss event. Only the cost of the counselling sessions is covered; other costs, such as travel to the sessions, are not covered.

Chapter 8. Emergency Assistance for Domestic Violence

Art. 59. What does the insurance cover?

The insurance covers costs if the insured needs to change their circumstances due to domestic violence. Examples of covered costs include food purchases, transportation, clothing, and hygiene products.

Art. 60. Where does the insurance apply?

The insurance applies in Iceland and following events occurring while travelling abroad for up to 92 consecutive days from the start of the trip from Iceland and back.

Art. 61. Sum insured

The maximum benefit per insured loss event appears on the certificate. Benefits are paid on a single occasion in up to three payments.

Art. 62. Settlement of claims

Confirmation from the professional service provider consulted following the violence must be provided. The confirmation must state when the provider was first consulted, that the insured is staying in a shelter, or is receiving follow-up assistance from the professional service provider.

Chapter 9. Trip Cancellation Insurance (optional)

The insurance is included if stated on the certificate.

Art. 63. What does the insurance cover?

The insurance pays:

a. pre-paid or contracted travel costs that are non-refundable when the insured is unable to travel. Travel costs refer to airfares, public transport costs, car rental costs, and accommodation costs. Other costs, such as theme park tickets, ski passes, concert tickets, or golf fees, are not considered travel costs in this context.
b. benefits only if the reason for cancellation is one of the following:
    - death of the insured.
    - serious accident or sudden illness, physical injury, childbirth, or quarantine of the insured, confirmed by a medical certificate stating that the insured is not fit to travel.
    - death, serious accident, or sudden serious illness of the insured's spouse, children, grandchildren, parents, grandparents, parents-in-law, children-in-law, or siblings, confirmed by a medical certificate.
    - significant property damage at the insured's home or business requiring the insured's presence. The company shall be consulted as to whether cancellation of the trip is necessary.
    - summons of the insured to testify in court.
    - cancellation due to statutory mandatory quarantine or where travel is prevented by public restrictions arising from an epidemic.
    - disruption causing at least a 12-hour delay in the departure of the insured's scheduled public transport as per the travel itinerary provided to them.
    - hijacking of the means of transport.

Art. 64. What does the insurance not cover?

The insurance does not cover loss:

a. arising from any illness or disease that existed before the insurance was taken out or when the confirmation fee was paid.
b. caused by illnesses arising after the 36th week of pregnancy.
c. caused by a serious accident that occurred before the insurance was taken out or had already occurred when the travel costs were paid.
d. caused by self-inflicted injuries or damage occurring when the insured has unnecessarily placed themselves at risk.
e. arising directly or indirectly from the following: government directives (except mandatory quarantine); oversights or negligence by parties responsible for transport, accommodation, or oversight by a travel agent organising the trip; reluctance on the part of the insured to travel or their poor financial situation; costs that a travel agency, hotel, or airline is required to pay; changes to planned

holiday dates; additional charges imposed by a travel agency increasing their pricing basis.

f. arising from failure to notify the travel agency or the party providing transport or accommodation that cancellation was necessary.
g. arising from the insured's failure to check in according to the travel itinerary provided to them, unless a change to the scheduled time has been confirmed by the airline or travel agency.
h. arising from an aircraft or vessel being temporarily withdrawn from service or otherwise in accordance with a public authority directive.
i. caused by industrial action that was known, when the confirmation fee was paid, to commence before departure.
j. caused by financial difficulties or bankruptcy of a travel agency or other carrier.
k. airport taxes and other charges recoverable from carriers.
l. any of the events referred to in Art. 37 of Chapter 4 on leisure-time personal accident insurance, with the exception of items (m), (p), and (r).

Art. 65. Who is insured and co-insured?

Those specified at the beginning of these terms are insured.

Art. 66. Settlement of claims

The insured shall submit the necessary documentation in support of their claim, e.g. a medical certificate, travel invoice, and receipt for payment of travel costs. The insured shall not profit from an insured event. The insurance shall only compensate for the insured's actual loss.

Art. 67. Cancellation fee

If the insured pays a special cancellation fee or similar charge to a travel provider, or if such a fee is collected from them when purchasing a trip for the purpose of refunding travel costs in the event of cancellation, no benefits are paid under this insurance. Benefits under this insurance are paid for cancellations occurring before departure from the insured's home.

Art. 68. Sum insured and deductible

The deductible and maximum benefit for each insured person per insured event appear on the certificate.

Chapter 10. Travel Medical and Trip Interruption Insurance Abroad (optional)

The insurance is included if stated on the certificate.

Art. 69. What does the insurance cover?

The insurance covers:

a. **Foreign medical expenses:** hospitalisation abroad together with medical care, medication, and other services provided by the hospital (the hospitalisation and treatment shall be prescribed by a physician, and payment is based on a standard hospital in the relevant country); medical care and medication on medical advice; pain-relieving dental repairs only in emergency cases, with a maximum benefit for dental repairs of 1% of the maximum medical expenses under the insurance.
b. **Additional costs:** additional expenses for special hotel accommodation when a physician considers that treatment can take place in a hotel (such costs include

nursing care and medical diet, with a maximum benefit of 1% of the maximum medical expenses per day); additional expenses for a return journey or travel to meet a pre-arranged itinerary following a delay where the insured is hospitalised on medical advice and in consultation with the company's emergency service, together with travel costs for a companion if the physician considers this necessary; where the insured is injured, becomes seriously ill, or dies during their trip, the company pays the additional costs of a close relative or friend accompanying them or called to the insured's location in consultation with the company or SOS International; the maximum benefit for these costs is 10% of the maximum medical expenses under the insurance.

c. **Medical evacuation:** necessary costs related to medical evacuation in the country where the accident or illness occurs, in consultation with the company or SOS INTERNATIONAL; if the physician treating the insured considers that immediate repatriation is necessary and it can take place in the normal manner, a written confirmation suffices and additional repatriation expenses are covered; if the illness or accident requires repatriation in a different manner, the company's emergency service shall arrange the transport.
d. **Repatriation of remains:** if the insured dies while travelling abroad, the company's emergency service shall arrange repatriation of the deceased to Iceland, as well as for any travelling companion, and the cost of legally required measures.
e. **Trip interruption costs:** necessary additional costs of returning to Iceland if the insured is compelled to cut short their stay abroad due to: the death, serious accident, or sudden 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 business requiring their presence; maximum benefits for trip interruption are 10% of the maximum medical expenses under the insurance.
f. **Refund of holiday trip:** if a holiday trip is interrupted on medical advice before it is half completed, or if the insured has been hospitalised for at least half the duration of the trip, the company pays the cost of the patient's trip; if the trip is interrupted without the above conditions being met, the company pays neither the unused portion of the travel costs nor a new trip; benefits are paid only for trips lasting six days or more; the maximum benefit under this component is 10% of the maximum medical expenses under the insurance.

The company pays these costs only to the extent that they cannot be recovered from Sjúkratryggingar Íslands (Icelandic Health Insurance) or a comparable party.

Art. 70. What does the insurance not cover?

The insurance does not cover:

a. **Medical expenses** arising from: illnesses occurring after the 36th week of pregnancy, at childbirth, or from termination of pregnancy; continued medical treatment if the insured refuses repatriation despite being fit to travel; medical treatment abroad lasting more than three months; self-inflicted injuries; sexually transmitted diseases.
b. **Costs** arising from: over-the-counter medication, prosthetics and dentures, glasses, contact lenses, hearing aids, and similar items; medication the insured has been using regularly before the trip; additional food and accommodation costs; costs covered under a reciprocal health insurance agreement; search and rescue; accidents, illnesses, or diseases from which the insured has suffered or received treatment within the 12 months prior to payment of the confirmation fee; illnesses or accidents excluded under Arts. 36, 37, and 39 of Chapter 4, although

the insurance does cover costs arising from food or beverage poisoning, infection from an insect bite or sting, or by a registered motorised vehicle.

Art. 71. Safety regulations

The insured shall at all times follow the instructions of physicians and/or the company's medical adviser.

Art. 72. Who is insured and co-insured?

Those specified at the beginning of these terms are insured.

Art. 73. Where does the insurance apply?

The insurance applies only while travelling to and from Iceland, as well as:

a. during leisure time while travelling abroad, for up to 92 consecutive days from the start of the trip from Iceland and back.
b. during work, whether paid or unpaid, while travelling abroad for up to 92 consecutive days from the start of the trip from Iceland, if it relates to business meetings, office work, conferences, or academic courses.
c. during academic studies abroad for up to 92 consecutive days from the start of the trip from Iceland.

The insurance does not apply to individuals studying or working abroad if the studies or work last longer than 92 days.

Art. 74. Settlement of claims

The company pays benefits upon presentation of invoices and payment receipts. The maximum benefit for each individual loss is stated on the certificate. The insured shall submit the necessary documentation in support of their claim, e.g. a medical certificate, ticket, and receipt for payment of travel costs.

Chapter 11. Baggage Insurance Abroad (optional)

The insurance is included if stated on the certificate.

Art. 75. What does the insurance cover?

The insurance covers:

a. damage to baggage caused by fire, robbery, or transportation accident, as well as the complete loss of the insured's baggage in transit, subject to the limitations set out in these terms.
b. theft of baggage through burglary into accommodation, vehicles, caravans, and boats.

Art. 76. What does the insurance not cover?

The insurance does not cover:

a. cash, tickets, traveller's cheques, bonds or other securities, documents, manuscripts, and stamps.
b. fragile items, televisions, tablets, recording equipment, cameras, glasses, electronic equipment, and similar items, internal damage such as mechanical failures, short circuits, and other damage to electrical systems.

c. damage caused by moths, pests, atmospheric conditions, weather, ordinary wear and tear, or other damage that does not reduce the utility of the insured item (scratches, dents, bruising, or abrasion).
d. damage to baggage caused by liquids, foodstuffs, and other contaminating substances, unless a common carrier is at fault or a collision occurs and the loss cannot be recovered from their liability insurance.
e. damage to clothing, sports equipment, sporting goods, outdoor and camping equipment, and other items in use.
f. damage and/or delays caused by seizure or detention of items by customs or other authorities.
g. damage to bags in the custody of an airline or other carrier.
h. damage caused by inadequate or poor packaging.
i. theft of items from checked-in baggage.
j. theft or burglary not reported to the police within 24 hours of its occurrence or of becoming aware of it.
k. theft and/or damage to bicycles stored outdoors.
l. computer data or software.

Art. 77. Safety regulations

a. The insured shall take good care of their baggage and take all necessary steps to prevent loss.
b. Accommodation, vehicles, and other locations where valuables are stored must be securely locked when unoccupied or when household members are asleep. Windows must also be closed and latched.
c. Insured items must not be left unattended in public places. Care must also be taken to take them along when leaving a location.
d. The insured shall ensure that insured items are in appropriate and adequate packaging to withstand transportation.

Art. 78. What is insured?

Baggage is the insured property. Only personal movable property carried by the insured on their trip is considered baggage.

Art. 79. Who is insured and co-insured?

Those specified at the beginning of these terms are insured.

Art. 80. Where does the insurance apply?

The insurance applies while travelling abroad for up to 92 days from the start of the trip from Iceland and back. The insurance does not apply to individuals studying or working abroad if the studies or work last longer than 92 days. In that case, the insurance applies only while travelling to and from Iceland.

Art. 81. Sum insured

The sum insured appears on the certificate. If the value of the baggage exceeds the sum insured, benefits are paid proportionally.

The sum insured is divided proportionally among those insured while travelling abroad, with the limitation that the maximum benefit for each insured person is 7.5% of the contents sum insured, and the aggregate sum insured may never exceed the sum insured stated on the certificate.

The maximum benefit for each individual item, pair, or set of baggage is stated on the certificate and the company's payment obligation is limited to that amount, less the deductible, unless the item has been specifically valued, stated, and recorded on the certificate and a separate premium paid for it. The maximum benefit for watches and jewellery is 1% of the contents sum insured per loss.

In each loss, the insured bears a deductible of 25%. The minimum deductible per loss appears on the certificate.

Art. 82. Settlement of claims

The insured shall not profit from an insured event. The insurance shall only compensate for the insured's actual loss.

Claims shall be based on the replacement cost at the time of loss of a new item comparable to the damaged one. The company is entitled to deduct from the compensation any depreciation in value due to age, use, and other factors. The depreciation rules of the contents chapter (Chapter 1) shall then apply.

The company may either pay the estimated cost of repair or arrange for the item to be repaired. The company may pay compensation in cash or provide a comparable replacement item if the item is so severely damaged that repair is not possible or cost-effective. Benefits for loss of or damage to audio and video recordings are limited to the cost of a blank disc, tape, or film. Benefits for published audio and video recordings are based on their purchase price, in each case taking into account ordinary depreciation. Stolen items that come to light after the company has compensated the loss become the property of the company and shall be returned to it; the insured may retain them by reimbursing the compensation.

Art. 83. Measures following a loss

If a covered loss occurs, the insured shall take all measures necessary to substantiate the loss event. Theft, robbery, or burglary shall be reported to the police immediately with a request for investigation. In the event of theft abroad, a local police report must accompany the loss notification. Loss shall always be reported to a tour guide if one is present.

If baggage is damaged or lost in 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 handling office on a PIR report form. A copy must be presented to the company when reporting the loss. Loss notifications shall be sent to the company without undue delay.

Chapter 12. Baggage Delay Insurance (optional)

The insurance is included if stated on the certificate.

Art. 84. What does the insurance cover?

The company pays benefits for the purchase of essentials for each insured person aged 18 or over who does not receive their checked-in baggage within 8 hours of arrival at their destination due to delay or mishandling. Benefits are also paid for children under 18 if they are travelling without a parent or guardian. Benefits are paid without the need to submit invoices for costs incurred.

Art. 85. What does the insurance not cover?

The insurance does not pay benefits:

a. for baggage delays when the insured is on their return journey.
b. if the baggage delay is discovered within the same calendar day that the trip ends in Iceland.

Art. 86. Safety regulations

The insured shall plan their travel schedule so that connection times for connecting flights are no shorter than the minimum required by the relevant airline/airport as stated in the booking conditions.

Art. 87. Where does the insurance apply?

The insurance applies to delays in the delivery of baggage on scheduled or charter flights on trips lasting up to 92 consecutive days from the start of the trip from Iceland.

Art. 88. Who is insured and co-insured?

Those specified at the beginning of these terms are insured.

Art. 89. Notification to airline following a loss

If baggage is lost in flight or while in the custody of an airline, the injured party is required to report the loss immediately upon landing to the airline's handling office on a PIR report form. The injured party shall present to the company confirmation from the airline clearly stating the duration of the delay.

These terms are valid from 27.03.2025

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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.