

Fire Insurance for Property Under Construction

Standard insurance information sheet



Terms and Conditions E-2

This information document only specifies the main aspects of the insurance, such as what is included and what is not. It is not an exhaustive list or a personal overview of the insurance that customers choose. The information document has no legal significance and is intended solely to inform customers about the main aspects of the insurance. The insurance summary and detailed information on the applicable contract terms are available on the insurance policy, which can be accessed on Vörður's My Pages. The terms and conditions of the insurance contain comprehensive information about the insurance coverage and are a part of the agreement between the parties together with the insurance certificate.

What type of insurance is Fire Insurance for Property Under Construction?

Fire insurance for property under construction is a mandatory short-term insurance intended for individuals or entities constructing new buildings or renovating existing structures.



What is covered?

Fire Insurance for Property Under Construction

- ✓ Loss or damage caused by fire.
- ✓ Loss or damage caused by lightning.
- ✓ Loss or damage caused by gas explosions, such as explosions from cooking appliances.
- ✓ Loss or damage caused by soot fall.
- ✓ Costs related to rescue and fire extinguishing operations.
- ✓ Loss or damage caused by aircraft.



What is not covered?

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- ✗ Indirect loss or damage resulting from insured events, such as business interruption, production or delivery delays, loss of rental income, or similar consequences.
- ✗ Costs related to the cleanup of waste or hazardous substances in the environment or soil caused by an insured event.



Are there any restrictions or precautionary rules?

- ! The insured is required to comply with Vörður's precautionary rules.
- ! The insured is responsible for ensuring that all equipment and installations at the insured location comply fully with applicable laws and regulations at all times, as relevant.
- ! The insured must also comply with instructions or remarks issued by public regulatory authorities, such as the Housing and Construction Authority, fire departments, and The Icelandic Bureau of Weights and Measures (Löggildingarstofu).



Where is the insurance Valid?

The insurance is only valid for residential property in Iceland.



What are the insured's obligations?

- Provide all necessary information, whether in connection with the renewal or modification of the insurance.
- Report any damage at the earliest opportunity and no later than one year from the date of the incident.



When and how is the insurance paid for?

The insurance premium must be paid on the due date. Upon renewal, the annual premium is adjusted in accordance with changes in the index from the base index of the agreement. Vörður sends payment claims monthly to online banking services, or annually if the policyholder prefers to pay the premium in a single installment.

It is possible to change the payment method via Vörður's online service, "My Pages." There, policyholders can also choose to pay premiums using a credit card.



When does insurance coverage begin and how does it end?

Insurance contracts are generally valid for 12 months from the date of acceptance of the offer and issuance of the insurance, and premiums are based on the annual premium. If the insurance is not terminated within that period, it is automatically extended.



How is the insurance terminated?

The insurance can be terminated at any time during the insurance period.