

Summer Cottage Insurance

Standard insurance information sheet



Terms and Conditions E-8

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 Summer Cottage Insurance?

Summer Cottage Insurance provides broad and comprehensive coverage and compensates for loss or damage to the summer cottage caused by, among other things, water, wind, burglary, thawing, soot fall, and frost cracks. Contents insurance is also included, which protects the owner against major losses such as fire, water damage, and burglary. In addition, liability insurance is included, covering any legal liability the summer cottage owner may incur. The insurance premium is based on the insured amount of the contents and the fire insurance valuation of the summer cottage. The summer cottage owner selects their own deductible, which they are responsible for in the event of a claim.



What is covered?

Homeowner Insurance

- ✓ Loss or damage caused by water, steam, or oil that unexpectedly and suddenly flows and has its origins within the exterior walls of the property and its foundation due to malfunction or mistakes.
- ✓ Loss or damage if surface water caused by sudden downpours or thawing becomes so great in volume that drainage pipes cannot accommodate it.
- ✓ Damage due to frost cracks in the indoor water supply system.
- ✓ Loss or damage to the insured property due to forced entry or attempted forced entry.
- ✓ Loss or damage that occurs due to sudden soot fall from fireplaces or recognised heating equipment.
- ✓ Loss or damage to glass during installation.
- ✓ Damages to real estate that can be directly linked to storms or heavy winds exceeding 28.5m/s.
- ✓ Breakages of permanently connected domestic appliances that can be traced to sudden and unexpected outside events.
- ✓ Loss or damage caused by sudden heavy snow that has overburdened the roof or walls of a property.

Household Contents Insurance

- ✓ Loss or damage to household contents caused by a fire, lighting, or explosions.
- ✓ Loss or damage to household contents due to soot fall, firefighting, rescue, and cleaning operations due to damage.
- ✓ Loss or damage to household contents caused by water, steam, or oil that unexpectedly and suddenly flows and has its origins within the exterior walls of the property and its foundation due to malfunction or mistakes.
- ✓ Loss or damage to household contents due to burglary, robbery, or vandalism.
- ✓ Loss or damage due to unforeseen stoppage of the cooling system of a refrigerator or freezer, provided this results in the destruction of food.



What is not covered?

Homeowner Insurance

- ✗ Loss or damage caused by external water from basic roof gutters, balconies, or drainage pipes.
- ✗ Loss or damage due to water that is pushed upwards from sewage or drainage pipes.
- ✗ Loss or damage caused by basic utilities that have sagged to different degrees, are friable, or have in any other manner degenerated due to use or insufficient underlay.
- ✗ Loss or damage caused by subsidence of the foundation of the property, e.g. due to flushing of soil.
- ✗ Loss or damage to antennas, flagpoles, fences, and vegetation.
- ✗ Loss or damage that is compensable from the property's fire insurance.
- ✗ Damage to the object causing the damage due to fluid leakage, such as pipes, radiators or appliances.

Household Contents Insurance

- ✗ Scorching and melting of household contents without the presence of fire.
- ✗ Loss or damage due to soot or smoke that develops gradually due to the use of a fireplace.
- ✗ Loss or damage due to slow leak or contamination that occurs gradually.
- ✗ Loss or damage due to burglary or theft from tent campers, caravans, or tents.
- ✗ Loss or damage caused by external water sources, such as from roofs, gutters, balconies, or due to tidal waves, flooding, or groundwater.
- ✗ Loss or damage to a refrigerator or freezer resulting from an unforeseen failure of the cooling system, if the appliance is more than 5 years old and/or the seller's warranty does not cover the damage.
- ✗ Loss or damage to the washing machine itself caused by boiling (overheating).

- ✓ Loss or damage to contents caused by storm, unexpected snow accumulation, or surface water due to sudden rainfall or icy conditions.
- ✓ Loss or damage due to overheating (boiling) of laundry in a washing machine or dryer, if the damage is caused by a fault in the appliance.

Liability Insurance

- ✓ Pays compensation for liability that can fall on the owner of the summer cottage because of the summer cottage, according to Icelandic law or legislation.

Comprehensive Household Contents Insurance

- ✓ Loss or damage caused by sudden and unforeseeable events, which are not liable for compensation according to traditional household contents insurance for summer cottages.

Decks and Small Houses

- ✓ Loss or damage to the deck and small house caused by fire, lightning, or explosion.
- ✓ Loss or damage to the deck and small house due to soot fall, extinguishing, rescue, or cleaning operations in response to a covered loss.
- ✓ Loss or damage to the small house caused by water, steam, or oil that suddenly and unexpectedly escapes from within the internal piping or systems due to malfunction or error.
- ✓ Loss or damage resulting from surface water caused by heavy rainfall or sudden thaw, where the drainage system is unable to carry it away.
- ✓ Loss or damage due to frost cracks in the internal water pipe system of the small house.
- ✓ Loss or damage to the deck and small house caused by burglary, robbery, or vandalism.
- ✓ Loss or damage resulting from breakage or collapse of ceiling panels or fixed interior fittings due to sudden and unexpected external events.
- ✓ Loss or damage caused by sudden snow load that causes the roof or walls of the small house to give way.
- ✓ Loss or damage to the deck or small house as a direct result of a storm or wind with wind speeds exceeding 28.5 m/s.

Hot Tub

- ✓ Loss or damage to the hot tub caused by fire, lightning, or explosion.
- ✓ Loss or damage to the hot tub due to soot fall, extinguishing, rescue, or cleaning operations in response to a covered loss.
- ✓ Loss or damage to the hot tub as a direct result of a storm or winds where wind speeds exceed 28.5 m/s.
- ✓ Theft and deliberate damage to the hot tub following a break-in.
- ✓ Frost crack damage to the hot tub's piping system.

Liability Insurance

- ✗ Loss or damage that the family of the houseowner suffers.
- ✗ Loss or damage that occurs because of the houseowner's occupation, whether in the insured's own business enterprise or work in the employment of another party.
- ✗ Loss or damage to items that the insured has on loan or in storage.
- ✗ Loss or damage caused by a fire, water for firefighting, smoke, soot, or explosion.

Comprehensive Household Contents Insurance

- ✗ An item that is lost, forgotten or left in public.
- ✗ Loss or damage caused by normal wear and tear, insufficient maintenance or manufacturing defect.
- ✗ Loss or damage due to theft.
- ✗ Loss or damage caused by animals

Decks and Small Houses

- ✗ Scorching or melting of the deck or small house without an open fire.
- ✗ Loss or damage caused by soot or smoke that accumulates gradually from the use of a fireplace or stove.
- ✗ Loss or damage resulting from slow leakage or contamination that occurs gradually over time.
- ✗ Loss or damage caused by external water, such as from flat roof gutters, balconies, or drainage pipes.
- ✗ Loss or damage caused by water that is forced back up through sewage or drainage systems.
- ✗ Loss or damage due to foundation structures settling, decaying, or otherwise deteriorating from use or inadequate base support.
- ✗ Loss or damage due to ground subsidence of the property, e.g., from soil erosion.
- ✗ Loss or damage to the component causing the leak or water escape, such as pipes, radiators, or appliances.

Hot Tub

- ✗ Scorching or melting of the hot tub without the presence of open fire.
- ✗ Loss or damage caused by soot or smoke that gradually forms due to the use of a fireplace or stove.
- ✗ Transportation costs related to moving the hot tub for repair.



Where is the insurance Valid?

The insurance is only valid for summer cottages located in Iceland.



Are there any restrictions or precautionary rules?

- ! The insured is required to comply with Vörður's safety requirements.
- ! A condition for compensation under the contents insurance occurring between October 1st - April 30th is when the summer house is unoccupied, the water supply must be turned off and appliances drained when there is a risk of frost.
- ! The summer house and all other insured structures must be securely locked when unoccupied or when the residents are asleep. In addition, windows must be closed unless they are secured with safety mechanisms that prevent unauthorized access while open.
- ! The property owner is obligated, as far as is within their control, to ensure that drainage systems are maintained by removing debris or ice.



What are the insured's obligations?

- Provide all necessary information, whether at renewal, during changes to the policy, or when filing a claim.
- Grant Vörður access to the summer house and its equipment, if necessary, for inspection.
- Report any loss or damage as soon as possible and no later than one year from the date of the incident.



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.



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.



How is the insurance terminated?

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