



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

1. The Insured.

- 1.1 The Insured is the Policyholder, his or her spouse or cohabitant, and any unmarried children, as long as those individuals have the same registered address in Iceland, live at that address and are all members of the same household.

2. Payment of Premiums.

- 2.1 The first premium shall be paid when the insurance comes into effect and subsequent premiums paid on the specified due dates. The Company sends a notification concerning payment of the premium to the Policyholder. The grace period shall be stated in the notification, and it shall be a minimum of one month from the date on which the notification is sent.
- 2.2 If a premium is not paid by the end of the grace period pursuant to Paragraph 1, then the Company is permitted to send a special warning demanding payment within 14 days, after which the insurance is terminated if the premium is still unpaid.
- 2.3 If the Policyholder has not specifically negotiated with the Company regarding the payment of the premium before the grace period expires pursuant to Paragraph 2, then the premium shall be regarded as unpaid if it has not been paid in full when the grace period ends.
- 2.4 A demand for payment of the premium shall be sent to the address of the Policyholder as specified in the National Registry (*Þjóðskrá*) unless he or she has particularly specified another address. The company shall be notified immediately regarding changes to the specified address.
- 2.5 If insurance is terminated pursuant to Paragraph 2, the Policyholder shall nevertheless pay the premium for the period when the insurance was in effect. The premium shall then be calculated as if it were a short-term insurance.
- 2.6 When collecting the premium, the Company is authorized to collect a special fee, which is further specified in the premium tariffs, in order to cover the collection costs of the premium. It shall also be specifically noted in the premium payment notification.

3. Price Indexing and the Index.

- 3.1 The sums insured and other sums specified on the insurance certificate or premium receipt that limit the Company's liability are revised annually at the start of the period of insurance in proportion with changes to the Consumer Price Index for indexation.
- 3.2 The sums specified in the Summary of Home Insurance at the end of these terms are relative to the Consumer Price Index for indexation when it stood at 436.3 points in August 2016. The amounts are changed annually at the start of the insurance period in proportion with changes to the Index.

4. Insurance Period – Renewal and Termination.

- 4.1 The insurance is valid for the period specified on the insurance certificate or premium receipt. At the end of this period, the insurance is extended by one year at a time unless the Policyholder has cancelled the insurance within one month from the date on which notification was sent by the Company regarding the due dates of the new period according to Paragraph 1 of Article 2. However, notice of termination must be received by the Company no later than two weeks before the end of the term.
- 4.2 In the event of an insurance event which has led to a serious breach of trust between the Company and the Insured, or if the risk assessment on which the insurance and its premium is based has altered substantially, the Company may terminate the insurance with two months' notice. In the event of three instances of recoverable loss in an 18-month period, the Company has the right to terminate the insurance. A written termination notice shall be issued without undue delay as soon as the Company becomes aware of an event which entitles it to termination. The Company is under obligation to proportionally refund the premium for the remaining insurance period.

5. Notification of Loss.

- 5.1 The Insured shall notify the Company of any incident without delay. The same applies if the Insured gains knowledge of, or suspects, that a compensation claim that might be covered by the insurance will



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

be made against him or her.

- 5.2 In addition to informing the Company according to Paragraph 1, the police shall immediately be informed in cases of break-in, theft, vandalism, and robbery, with a request for an investigation.
- 5.3 In cases of theft abroad, a local police report shall accompany the notification sent to the Company.
- 5.4 In cases of theft, the Insured must be able to prove that such an event took place. The Company will not compensate the Insured if he or she has forgotten or lost items, or acted in a manner that might be expected to lead to loss.
- 5.5 Failure to fulfil the obligations of the Insured pursuant to Paragraphs 1 and 4 may result in the reduction or loss of compensation in accordance with Act No. 30/2004 on Insurance Contracts.

6. Measures to Prevent Loss or Damage.

- 6.1 When an event occurs that might lead to an insurance claim or there is a danger that such an event might occur, the Insured must try to prevent loss or damage. Failure in this respect may result in the reduction or loss of compensation in accordance with the Act on Insurance Contracts.

7. Intent and Gross Negligence on the Part of the Insured.

- 7.1 The Company is in no way liable for damages intentionally caused by any of the Insured. If damage has been caused by the gross negligence of any of the Insured, and insurance other than liability insurance is involved, then the Company is free of liability in whole or in part.

8. Insurance with Other Companies.

- 8.1 When damage occurs and other insurance covering that damage is in effect, the payment of compensation shall be made as recommended in Article 37 of the Act on Insurance Contracts. However, this provision does not apply to Accident Insurance During Leisure Time according to Chapter III.

9. Limitations to the Scope of the Insurance.

- 9.1 The insurance does not cover damage that occurs in the following circumstances:
 - a. war, riots, civil unrests, strike actions, or other similar incidents,
 - b. when attributable to nuclear power, ionizing radiation, and radioactive materials,
 - c. volcanic eruption, earthquakes, landslides, avalanches, floods, and other natural disasters except where otherwise stated,
 - d. any kind of biological or chemical effect and/or poisoning, including pathogens and viruses resulting from acts of terrorism.

10. Payment of Compensation and Interest.

- 10.1 Claims for the payment of compensation may be made 14 days after the Company has had the opportunity to obtain the information necessary to assess the insurance incident and determine the amount of compensation. The Insured is entitled to interest on his or her claim in accordance with Article 50 of the Act on Insurance Contracts.

11. Recourse.

- 11.1 If the Insured has a claim against another party with respect to recoverable loss, the Company reserves the right to recourse to the extent that the Company has compensated the Insured.

12. The Act on Insurance Contracts, Dispute Resolution, etc.

- 12.1 Except as otherwise provided for in these terms, the insurance certificate or other documentation on which the insurance contract is based, the provisions of Act No. 30/2004 on Insurance Contracts shall apply.
- 12.2 Disputes relating to the insurance contract and the Company's liability in other respects may be appealed to the Insurance Claims Committee. Information on this committee and the rules governing its



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

work may be obtained from the Company.

- 12.3 Despite the provisions of Paragraph 2, the parties may bring the disputed matter before the courts. Such disputes, as well as other disputes that arise from this insurance, shall be brought before the District Court of Reykjavík. The Company may, however, also bring a dispute arising from the insurance before the jurisdiction in the Policyholder's domicile.
- 12.4 The Company's domicile and venue are in Reykjavík.

13. Scope of Insurance.

13.1 This insurance includes thirteen types of insurance, of which six are optional, with the following titles:

- I. Home Contents Insurance
- II. Third-Party Liability Insurance
- III. Leisure-Time Accident Insurance
- IV. Childcare Insurance
- V. Credit Card Insurance
- VI. Legal Cost Insurance
- VII. Trip Cancellation Insurance (Optional, Condition No. 13)
- VIII. Lost Baggage Insurance (Optional, Condition No. 2)
- IX. Baggage Delay Insurance (Optional, Condition No. 2)
- X. Medical Expenses and Abandonment of Travel Abroad Insurance (Optional, Condition No. 1)
- XI. Comprehensive Home Contents Insurance (Optional, Condition No. 12)
- XII. Crisis Counselling
- XIII. Home-Sharing Insurance (Optional, Condition No. 14)

Conditions for Specific Insurance Policies.

I. HOME CONTENTS INSURANCE.

14. Insured Location.

- 14.1 The insurance is valid in the Policyholder's home as stated on the insurance certificate or premium receipt. The insurance also covers household effects that are temporarily outside of his or her home, though no longer than for 12 months from the time they were first removed from the home. In this case the maximum insurance coverage is limited to 15% of the insured amount. This coverage is limited to home contents that are in Iceland. (See the Summary at the end of these terms and conditions for further information.)
- 14.2 When moving within Iceland, the insurance is in effect in both locations for the period of one month from the date when the Insured took possession of his or her new home. Damage caused while moving the home contents is excluded.
- 14.3 The Company must be notified of any changes to the insured location within the insurance period, otherwise the Company's liability may lapse in whole or in part, according to Article 24 of the Act on Insurance Contracts.

15. Insured Items.

- 15.1 The insured items are the Insured's home contents and other personal effects that generally accompany a household and are not considered part of the property or its typical appurtenances. Particular rules are in effect regarding particularly specified kinds of home contents. See the Summary of the Scope of the Insurance that can be found at the end of these terms and conditions for these.
- 15.2 The Insurance covers accessories and spare parts for motor vehicles, RVs and campers, tent campers, pop-up truck campers, camping trailers, and boats that are owned by the Insured for private use and that are kept in a garage or other locked storage space in the Policyholder's home as stated in the insurance certificate. The maximum compensation for each loss incident is 2% of the insured amount.

16. Items Not Covered by the Insurance.

- 16.1 The Insurance does not cover loss or damage to animals, motor vehicles, RVs and campers, camping



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

trailers, boats nor aircrafts (including drones), nor to items that are part of the aforementioned equipment except to the extent mentioned in Paragraph 2 of Article 15.

17. Scope of Insurance.

- 17.1 Liability for loss and limits of liability with respect to individual home contents are specified in a separate Summary that can be found at the end of the terms and conditions.
- 17.2 In addition to insurance coverage according to Paragraph 1, the Policyholder is permitted to buy broader home contents insurance known as Comprehensive Home Contents Insurance. Special conditions apply to this type of insurance, as printed at the end of the general terms and conditions.

18. Rescue Costs and Loss of Use.

- 18.1 The insurance will compensate for loss and expenses borne by the Insured because of necessary measures taken to avoid impending damage as is further provided for in Article 38 of the Act on Insurance Contracts.
- 18.2 The insurance provides for compensation for loss of use of a home, should it be necessary to move out because of recoverable loss or damage according to these insurance terms and conditions. Compensation is based on the time taken to carry out repairs and on the cost of renting accommodation comparable to the home in which the damage occurred. The compensation may nonetheless not be for an amount greater than 1% of the sum insured for each month and will not be paid for a period longer than six months for each insurance incident. If the home is damaged and not repaired, compensation for loss of use that amounts to one month is paid out. If accommodation rental costs are paid from another insurance, loss of use compensation is not to be paid out from this insurance.

19. Determination of Compensation.

- 19.1 In so far as possible, compensation is based on restoring the Insured's financial position to the level it was at before the loss.
- 19.2 Compensation is paid based on the price of new items. Reductions because of age and use are therefore applicable only where the usability of items for the Insured has been considerably reduced. When the damage causes only cosmetic defects, but does not affect the usability for the Insured, compensation is not paid out.
- 19.3 The below depreciation rules shall apply, with respect to compensation for the following items, notwithstanding the provision of Article 19.2:

Depreciation Rules:

	No. of years without – annual deducton	Subsequent annual deduction
Adult clothing	1 yr.	20%
Children's clothing	1 yr.	30%
Sound systems, televisions, and radios	2 yrs.	10%
DVD players and video recorders	1 yr.	20%
Other electrical equipment	1 yr.	10%
Cameras and lenses	1 yr.	10%
Bicycles	1 yr.	20%
Skiing & camping equipmen.t	1 yr.	10%
Maximum deduction is 70%		

- 19.4 Regarding computers, there is a special rule that they depreciate by 10% of their replacement price every six months from the time of purchase to the time of loss or damage. Compensation will therefore not be paid for computers that are five years old or older. There is also a special rule regarding mobile phones, tablets, and various other smart devices, including their accessories: these items depreciate by 20% of their replacement price every six months from the time of purchase to the time of loss or damage. Devices older than 30 months are thus not compensated.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- 19.5 Compensation for damaged films or video tapes is limited to the cost of new, unexposed films or video tapes. Sentimental value is not compensated.
- 19.6 The Company decides whether a loss should be compensated with a payment in money, by covering the cost of satisfactory repairs, or by providing the claimant with items comparable to those that were damaged.
- 19.7 Damage to items that belong to a pair or a set is compensated proportionally.
- 19.8 If damage to an item is compensated as total loss, the Company can request that the insured item be surrendered to the Company. Lost or stolen items that are recovered after compensation has been paid out are the property of the Company and shall be handed over to the Company.

20. Sum Insured, Underinsurance, and Deductible.

- 20.1 The maximum compensation for each insurance incident and the maximum accrued compensation during the insurance year are equal to the insurance amount as specified in the insurance certificate or the premium receipt.
- 20.2 The insured amount must correspond to the value of all the home contents.
- 20.3 If the value of the home contents changes during the insurance period, other than in relation to the Consumer Price Index for indexation, the Insured must inform the Company for full coverage to be maintained.
- 20.4 If the total value of the Insured's home contents is higher than the sum insured, the Company will pay only proportional compensation. For example, if the value of the home contents is twice as high as the sum insured, and compensation would otherwise be ISK 1 million, the actual compensation would be only ISK 500.000.
- 20.5 If a loss has been compensated, the insured amount will be reduced by the amount of that compensation from the day of the loss until the end of the insured period.
- 20.6 The sum insured may, however, be increased to the one before the loss by paying an additional premium.
- 20.7 The Insured's deductible for each loss is specified on the certificate or premium receipt.

II. THIRD-PARTY LIABILITY INSURANCE.

21. General Information about Liability and Liability Insurance.

- 21.1 According to Icelandic law, everyone is liable for damage they cause to others because of error or negligence. This rule is known as the principle of culpability (*sakarregla*), which is a fundamental principle in Icelandic law and legal tradition. If a claim for compensation is made against a person who is not responsible for the damage, then he or she generally do not bear liability.
- 21.2 The purpose of third-party liability insurance is to pay compensation on behalf of the Insured, if he or she has become liable (in so far as the claimant does not have to be liable themselves due to shared liability or shared responsibility), and also to pay the costs borne by the Insured if a claim for compensation is made against him or her.
- 21.3 As legal liability is often a complex matter, the Insured is to approach the Company for advice concerning his or her legal position if a claim for compensation is made against him or her that he or she believes he or she may be responsible for. At the same time, he or she is advised to read the following Third Party Liability Insurance terms and conditions with that in mind.
- 21.4 Any admission of liability for compensation by the Insured commits only the Insured and not the Company. With such an admission, the Insured may put himself or herself at risk of having to pay damages him- or herself in cases not covered by liability insurance.

22. Scope of Third-Party Liability Insurance.

- 22.1 **Legal Liability.** The Company insures against those liabilities that fall on the Insured as an individual (i.e. not related to his or her employment) in accordance with Icelandic law, as long as the liability is the direct result of the injury or death of persons or damage to property (including buildings and animals) and that it is no broader than usual non-contractual liability. The insurance does not cover any liability that falls on the Insured because of his or her employment, regardless of whether he or she is self-employed

103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

or employed by another party.

- 22.2 **Compensation Beyond Legal Liability.** If a child of the policyholder causes loss or damage that is not subject to compensation according to law, the Company will pay compensation if the child is less than 10 years old. If the claimant also bears some shared responsibility or shared liability for the damage, the right to compensation is reduced accordingly. Insurance coverage according to this provision is not valid when the child is a party to a traffic accident and the loss or damage is in relation to a registered motor vehicle that is in use.

23. Excluded Risks.

- 23.1. Third-Party Liability Insurance does not cover loss or damage:
- a. that is caused by the Insureds to each other,
 - b. that is caused to items that the Insured has borrowed, rented, stored or are for other reasons in his or her care, including items the Insured has in his or her possession without permission,
 - c. that is caused by the Insured as the owner or user of a registered motor vehicle, ship, boat, aircraft (including drones), firearms or animal,
 - d. that is caused by fire, water from firefighting services, smoke, soot, or explosion,
 - e. because of fines, legal costs or other expenses related to criminal proceedings,
 - f. because of claims made by the State Social Insurance Administration (*Tryggingastofnun ríkisins*) or other public insurance institutions,
 - g. that fall on the Insured as a property owner or property shareholder unless Property Insurance is in effect in addition to Home Insurance,
 - h. that is caused by pollution of air, soil, plants, sea, or water, except, however, where the loss is traced to a particular incident,
 - i. that results from long-term damp or water leakage.
 - j. that takes place while mountain biking and/or while taking part in any cycling competitions or training in preparation for cycling competitions.
- 23.2 If it is the case that both Home Insurance and Property Insurance are in effect according to Paragraph 1, Item g, then the Third-Party Liability Insurance at the same time covers the liability of the Insured with respect to damage that takes place in relation to minor repairs to the property. If the expected cost of construction because of property maintenance exceeds 5% of the property's fire insurance valuation (*brunabótamat*), however, or if scaffolding is used for the construction, the Company must be notified, as the Third-Party Liability Insurance does not cover construction of this nature without amendment.

24. Geographical and Temporal Limitations.

- 24.1 The insurance is valid in Iceland and during travel within Europe for up to 92 days from the day of departure.
- 24.2 If the consequences of an action or failure to act that cause loss or damage during the period of validity of the insurance do not become apparent until after the insurance is terminated, the Company does nonetheless pay compensation. On the other hand, the Company does not pay compensation for loss resulting from actions or failure to act before the period of validity of the insurance, even when the loss only becomes apparent during the period of validity.
- 24.3 If there is doubt about when a failure to act caused damage, it will be deemed as having happened when an action could have last been carried out to prevent the damage.

25. Sum Insured and the Insured's Deductible.

- 25.1 The maximum compensation for each insurance incident, and the accrued compensated events during the insurance year, is the amount specified on the insurance certificate or the premium receipt.
- 25.2 In addition to compensating the parties injured, the Company pays legal costs even though their combined total may be higher than the sum insured. However, the liability compensation outside the Nordic countries is limited to the sum insured.
- 25.3 The Insured bears 10% of each loss as a deductible with the upper and lower limits as specified on the insurance certificate or premium receipt.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

III. LEISURE-TIME ACCIDENT INSURANCE.

26. Introduction and the Concept of an Accident.

- 26.1 The Company will pay compensation because of an accident involving the Insured in accordance with the following provisions, which are further defined in these terms and conditions.
- 26.2 The term “accident” in these terms and conditions shall mean a sudden extraneous event that causes a physical injury to the Insured and occurs against his or her will.
- 26.3 Injury to limbs, however, requires only a sudden event that causes a physical injury to the Insured and occurs against his or her will. For the purposes of these terms and conditions, limbs are arms from the shoulder joint down and legs from the hip joint down.

27. Scope of Insurance.

- 27.1 The insurance is valid only during the Insured’s leisure time, during domestic duties or educational courses, and the Company will pay compensation because of:
 - a. death,
 - b. permanent physical damage (permanent disability),
 - c. temporary loss of work capacity,
 - d. broken teeth and
 - e. medical costs in Iceland.

28. Limitations to the Scope of the Insurance.

- 28.1 The insurance does not cover accidents that the Insured suffers at work, regardless of whether it is work as an employee or self-employed with the risk of workplace accidents, and neither covers the Insured when he or she is travelling directly to or from work.
- 28.2 This accident insurance will not pay compensation for accidents involving motor vehicles registered in Iceland, nor accidents involving motor vehicles registered abroad where it is required by law to insure the vehicles against such accidents.
- 28.3 The insurance covers accidents that happen during general sport activities. Excluded are, however, accidents that Insureds who are 16 years old or older suffer when participating in competitions or when training in preparation for competitions in any sport as well as accidents pursuant to Items a and b of Paragraph 4 of Article 28. This limitation does not, however, apply to the public taking part in training or competitions in golf, cross country running, and street running.
- 28.4 The insurance does not compensate for accidents traceable to the participation of the Insured in the following activities:
 - a. boxing, any form of wrestling, driving sports, hang gliding, gliding, parachuting, bungee jumping, rock climbing, mountaineering, ice climbing, cliff climbing, or scuba diving,
 - b. mountain biking and any cycling competitions,
 - c. flying, unless the Insured is a passenger on a scheduled or chartered flight operated by a party having the requisite aviation authority permits,
 - d. fist fighting, criminal acts, consumption of sedatives and/or narcotics,
 - e. tanning, medical treatment or use of medication, unless on the advice of a medical doctor due to a compensatory accident.
- 28.5 Moreover, the insurance does not compensate for damages:
 - a. caused by food poisoning, beverage poisoning or the consumption of narcotics,
 - b. from infections caused by insect bites or stings,
 - c. resulting from toxic gases, unless these have occurred without warning and against the will of the Insured.
- 28.6 The insurance does not compensate accidents that occur while mountaineering of any kind if the mountain is higher than 4000 metres above sea level.

29. Other Limitations to Liability.

- 29.1 If a disease, debilitation, or pathological condition suffered by the Insured is a contributing factor to his or her death, no death benefits will be paid. This applies regardless of whether this condition was present



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

when the accident occurred or developed later, without, however, being a direct and sole consequence of an accident covered by the insurance.

- 29.2 The insurance does not cover an accident that is directly or indirectly caused by poor eyesight, poor hearing, paralysis, deformity, epilepsy, spasms, stroke, diabetes or other serious disease or debilitation. If such conditions are contributing factors to the Insured suffering permanent physical damage, compensation is paid only for the portion of the physical damage that he or she may have been expected to suffer if these conditions had not been present.
- 29.3 Even if an accident is considered the proven cause, the Company will not pay compensation for the following diseases or pathological conditions: discus prolapse, lumbago, rheumatoid arthritis, osteoarthritis, or any other form of arthritis.

30. Geographical Limitations.

- 30.1 The insurance is valid anywhere in the world.
- 30.2 Despite the provisions of Item 1 of Paragraph 1, the insurance is valid for students studying abroad for 92 days from the day of their departure from Iceland at the commencement of their studies.

31. Measures in the Event of an Accident.

- 31.1 The injured is under obligation to seek the attention of a physician immediately after an accident has occurred, to undergo necessary medical treatment and to in all respects follow the recommendations of the physician.
- 31.2 The Company shall be notified immediately of any accident on the appropriate forms provided by the Company where possible, otherwise provisionally in another manner.
- 31.3 When an accident occurs, the Company is entitled to have its physician examine the Insured and to obtain information on prior health of the Insured.
- 31.4 In the event of death due to an accident, the Company has the right to request a postmortem to ascertain the cause of death and other matters that may affect the Company's liability.
- 31.5 The Company pays for the necessary medical certificates.
- 31.6 When medical care has been completed or when it is possible to establish the consequences of the accident, the Company shall receive a medical certificate. The Company then completes an evaluation of the consequences of the accident in consultation with the Insured. Such evaluation shall as a rule be the basis for deciding the compensation paid out by the insurance.

32. Death Benefits.

- 32.1 If an accident results in the death of the Insured within one year of the date of the accident, the Insured's spouse or cohabitating partner will be compensated by the amount specified on the insurance certificate or renewal receipt pursuant to Paragraph 1 of Article 1. If the Insured's spouse or cohabitating partner is no longer alive, death benefits are paid to the Insured's children. If the Insured is a child, death benefits are paid to the parents or to the parent who meets the criteria of Paragraph 1 of Article 1 when only one of them meets those criteria. Death benefits will be reduced by the amount of any compensation which may have already been paid by the Company for permanent injuries resulting from the same accident.
- 32.2 If the Insured has no dependents, only 25% of the Accident Insurance's death benefit will be paid. A dependent is a child or an adult individual verifiably in the care of the Insured.
- 32.3 If the Insured dies as a result of the accident when more than one year has passed from the date of the accident but before the final disability assessment has been performed, compensation shall be paid in accordance with the interim disability assessment, its amount, however, will never exceed the amount which the death benefits would have been.
- 32.4 Death benefits are paid only if the accident is the direct and sole cause of the death of the Insured.

33. Compensation for Permanent Physical Damage.

- 33.1 If an accident causes the Insured permanent physical damage within three years from the date of the accident, disability compensation shall be paid on the basis of the amount in effect on the date of the accident.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- 33.2 Disability shall be assessed as a percentage in accordance with the indices of the Disability Committee (*örorkunefnd*) on the degree of disability that are in effect when the disability assessment is performed. The reduction in physical ability shall be assessed without regard to the injured's profession, special abilities, or national standing. If the injury of the injured party is not included in the indices of the Disability Committee on the degree of disability, it shall be evaluated separately with regard to the indices. Disability can never be more than 100%.
- 33.3 For 100% disability, the whole insurance amount shall be paid, while disabilities of lesser degrees shall be compensated proportionally, pursuant to Paragraph 9.
- 33.4 The loss or deformity of a limb or organ which was unusable before the accident does not confer the right to disability compensation. For the loss or deformity of a limb or organ which was deformed before the accident, the disability shall be assessed with regard to the deformity prior to the accident.
- 33.5 The disability shall be determined one year after the accident at the earliest, with regard to the condition of the injured party at that time. If the injured or the Company is of the opinion that the disability may change, either party may demand that the final disability assessment be postponed, but for no longer than three years from the date of the accident.
- 33.6 Although the condition of the injured may be expected to change, the disability assessment shall be carried out at the latest three years from the date of the accident without an exception. In this case, the disability is to be determined as what it may be expected to become finally. If there is a likelihood that the condition of the injured may be improved through medical treatment or therapy, and he or she is unwilling to undertake such treatment without a valid reason, it is nevertheless mandatory to take into account the possible improvement that such treatment could bring about when determining the degree of disability.
- 33.7 If the injured party dies after more than one year has passed from the date of the accident but before the final disability assessment has been performed, compensation shall be paid in accordance with the interim disability assessment pursuant to Paragraphs 5 and 6.
- 33.8 No compensation is paid for accidents that cause only visual defects.
- 33.9 Compensation for permanent physical injury is paid in proportion to the basic sum insured as specified on the insurance certificate or renewal receipt and in effect on the day of the accident, although in such a way that each degree of disability from 26-50% is doubled, each degree of disability from 51-75% is quadrupled, and each degree of disability from 76-100% is six times the basic sum insured. Compensation paid for 100% disability is therefore 325% of the basic sum insured.

34. Compensation for Temporary Loss of Ability to Work.

- 34.1 If an accident causes temporary loss of ability to work, the Company will make per diem payments in accordance with the valid amount on the day of the accident as specified on the insurance certificate or renewal receipt.
- 34.2 Per diem payments are paid proportionally to the loss of ability to work from the end of the waiting period and until the Insured regains his or her ability to work, but for no longer than the maximum compensation period as stated on the insurance certificate or renewal receipt and not later than three years after the accident. The waiting period is the period which, according to the insurance certificate or renewal receipt, must pass from the day of the accident until per diem payments commence.
- 34.3 If the loss of ability of the injured to work is to some extent attributable to causes other than the accident, the per diem payment shall decrease in direct proportion to the part that these causes play in the loss of ability to work.
- 34.4 The Company will not compensate loss of work capability that is less than 50% of the Insured's normal ability to work. The Company assesses loss of ability to work and how long it will last on the basis of medical certificates and other available documentation.
- 34.5 The Company will not pay compensation for temporary loss of ability to work after it is deemed permanent according to a medical certificate or disability assessment.

35. Compensation for Broken Teeth.

- 35.1 The Company pays for repairs to healthy and properly maintained teeth that break or are damaged in an accident. The Company's payment is, however, limited to 6.5% of the basic sum insured of the disability insurance for each accident, and accrued payments for accidents during one insurance year are limited to 10.5% of the same sum.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

35.2 The Company will not, however, compensate teeth that break while the Insured is eating. Furthermore, no compensation is paid for damages such as teeth that are broken in a workplace accident, or other incidents to the extent in which they are compensated by public insurance institutions, pursuant to the Act on Social Security and regulations regarding the participation of the authorities in dental costs.

36. Medical Costs in Iceland.

36.1 The Company will pay the Insured's part of Icelandic medical costs related to accidents for which they are eligible for compensation upon the presentation of original receipts. Icelandic medical costs mean costs incurred as a result of medical treatment approved by the State Social Security Institute. The deductible and the maximum payments for each individual loss can be found on the insurance certificate or renewal receipt.

37. Age Limits.

37.1 If the Insured is older than 60 years of age when he or she is injured, the disability compensation paid will be the following percentage of the basic insured amount as specified on the insurance certificate or renewal receipt:

61 yrs. 95%	62 yrs. 90%
63 yrs. 85%	64 yrs. 80%
65 yrs. 75%	66 yrs. 70%
67 yrs. 65%	68 yrs. 60%
69 yrs. 55%	70 yrs. 50%
71 yrs. 45%	72 yrs. 40%
73 yrs. 35%	74 yrs. 30%
75 yrs. 25%	76 yrs. and older 20%

37.2 Children younger than 16 and individuals who are 67 or older are not covered against temporary loss of ability to work and not for death benefits higher than 25% of the Accident Insurance death benefits.

38. Price Indexation of Compensation Amounts.

38.1 Compensation amounts are calculated on the basis of the insurance amount on the date of the accident but change, however, on the basis of the Consumer Price Index for indexation as follows:

- Death benefits change in proportion to changes in the index from the date of the accident to the date of death.
- Disability benefits due to permanent physical injury change in proportion to changes in the index from the date of the accident to the date of the settlement. The duration of the indexation of disability benefits is, however, never longer than three years from the date of the accident.
- Per diem payments change every day in proportion to the changes to the index from the date of the accident.

IV. CHILDCARE INSURANCE.

39. Scope of Insurance.

39.1 If an illness or an accident causes a child of the Insured, who is 15 years or younger, to stay in a hospital for a period of five consecutive days or longer, compensation will be paid for each day from the arrival in the hospital.

39.2 The maximum period of compensation for the same accident or illness is 180 days. Medically related illnesses count as one and the same illness.

39.3 If compensation has been paid pursuant to Paragraph 1 and the Insured is hospitalized again within 12 months of the end of a previous hospitalization because of the same illness or accident, the Insured has the right to compensation from the day of his or her hospitalization if the 180 days of compensation have not been fully used.

40. The Insurance Does Not Compensate For:



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- 40.1 The insurance does not cover illnesses that existed at birth or were diagnosed within three months of birth.
- 40.2 The insurance does not cover illnesses that existed when the insurance was purchased or accidents that happened before the insurance was purchased.
- 40.3 The insurance does not cover illnesses or accidents that occurred before the Insured received insurance coverage according to the insurance.

41. Determination of Compensation.

- 41.1 A medical certificate specifying when the illness was first diagnosed or when and how the accident happened must be presented before a decision can be made regarding compensation because of an illness or an accident.

42. Payment of Compensation.

- 42.1 Compensation is paid to the guardian of the child once a written medical certificate confirming the length and reason for hospitalization of the Insured has been presented.
- 42.2 Compensation because of hospitalization is not paid after the insurance has lapsed.

43. Sum Insured.

- 43.1 The sum insured is specified in the insurance certificate or on the renewal receipt.

V. CREDIT CARD INSURANCE.

44. Scope of Compensation and Geographical Limits.

- 44.1 This insurance will pay compensation up to the amount specified on the insurance certificate or premium receipt during the period of insurance for losses incurred as a result of a credit card of the Insured being lost and fraudulently used by an unauthorized party. Compensation is conditional on the Insured having followed the rules and procedures of the credit card issuer in every respect, and on the Insured having immediately notified the issuer of the loss. Compensation can be reduced or cancelled if this is not the case.
- 44.2 The insurance is valid in Iceland and during travel abroad.

VI. LEGAL COST INSURANCE.

45. Introduction.

- 45.1 The purpose of Legal Cost Insurance is to pay legal costs incurred in civil proceedings. A condition of the insurance coverage is that the Insured seeks legal assistance.
- 45.2 The lawyer shall notify the Company when he or she accepts the case and before further steps are taken. The lawyer may, however, proceed in urgent matters.
- 45.3 The Company is required to notify the Insured as to whether or not the matter falls under the scope of the Legal Cost Insurance once satisfactory information has been presented pertaining to the case.

46. Further Limitations to the Scope of Compensation of the Insurance.

- 46.1 The insurance covers disputes affecting the Insured as an individual that come before a District Court (*héraðsdómur*), the Court of Appeal (*Landsréttur*) or the Supreme Court (*Hæstiréttur*) in Iceland and are resolved with a judgement, ruling or settlement according to Article 109 of Act 91/1991 on Civil Proceedings. If the dispute is not brought before the court except after previous legal action in another forum, the insurance covers only the costs incurred after the conclusion of such legal action. The insurance also covers re-hearings, although only when re-hearing is permitted and the conditions of Article 50 are fulfilled.
- 46.2 The insurance does not cover criminal matters or actions that can only be ruled upon by the executive branch or by special courts.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

47. Legal Costs Not Covered by the Insurance.

- 47.1 The insurance does not cover legal costs incurred in disputes of the types further specified below in Paragraphs 2 to 12.
- 47.2 Concerning divorce or matters that can come up in relation to divorce. The same applies to termination of cohabitation matters and other matters concerning disputes about the custody of children and visitation rights.
- 47.3 Concerning the Insured's employment or official position.
- 47.4 Concerning liabilities to which the Insured has committed.
- 47.5 Concerning financial measures that are unusual or on an exceptionally large scale for an individual or that exist because one individual takes responsibility for another.
- 47.6 Concerning claims or other demands that the Insured has endorsed.
- 47.7 Concerning the Insured as a property owner.
- 47.8 Concerning the Insured as the owner, user, or operator of a motor vehicle, RV, tent camper or other trailers, aircraft, ship, steamship, motorboat, or sailboat.
- 47.9 Concerning compensation or other claims concerning action leading to accusations or charges against the Insured in relation to prosecutable offences.
- 47.10 Concerning bills of exchange cases and debt collection cases against the Insured wherein the claim is uncontested or incontestable, and cases related to bankruptcy or composition where the Insured himself or herself is insolvent or seeking a composition.
- 47.11 If legitimate interests are not going to be served by obtaining a judgement in the case. Such interests would not be served, for instance, if an application for legal aid has for this reason been denied or the granting of legal aid has been revoked.

48. Choice of Lawyer.

- 48.1 It is a condition of the liability for compensation that the Insured has sought the assistance of a lawyer who has accepted the case. The Insured himself or herself appoints a lawyer from the members of the Icelandic Bar Association (*Lögmannafélag Íslands*). A lawyer may not represent himself or herself without the consent of the Company.

49. Payment of Compensation.

- 49.1 When a dispute pursuant to Paragraph 1 of Article 46 has been settled, the Company will pay necessary and normal lawyer and legal costs in accordance with Paragraph 3 that the Insured cannot reclaim from the opposing party or from the authorities. The Insured is obliged to try to reclaim legal costs from the authorities, for instance, by applying to the Legal Aid Committee, except where it is clear that he or she does not meet the necessary requirements.
- 49.2 If a dispute arises concerning legitimate lawyer's fees, the Insured is required to bring the dispute before the Lawyers' Disciplinary Committee of the Icelandic Bar Association in accordance with Article 26 of Act 77/1998 on Lawyers.
- 49.3 The Company pays:
 - a. lawyer's fees and expenses,
 - b. the cost of producing reports, if the Insured's lawyer requests a report before the matter goes to court or if it is clear that a judgement will not be forthcoming without such a report,
 - c. costs incurred by witnesses or in presenting other evidence to the court,
 - d. court fees,
 - e. legal expenses that the Insured must pay to the opposing party at the end of the case as a result of a judgement or ruling of the court,
 - f. legal expenses the Insured agrees to pay to the opposing party as part of a settlement when it is clear that the court would have imposed higher legal costs if the case had proceeded.
- 49.4 Compensation is not paid due to:
 - a. the Insured's own employment, loss of income, travel and accommodation costs, and other expenses,
 - b. enforcement of a judgement, ruling or settlement,
 - c. additional costs incurred by appointing additional lawyers or by changing lawyers,



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- d. additional costs resulting from the Insured or his or her lawyer being found guilty of negligence in the conduct of the case or having in any other respect exhibited negligence.

50. Further Conditions for the Payment of Legal Costs.

- 50.1 It is possible to request that legal costs be paid if the insurance is in effect when a dispute arises, and it has been in effect with the Company for at least two consecutive years. If the Insured has been similarly insured with another company, that insurance will be taken into account.
- 50.2 Despite the provisions of Paragraph 1, the Insured can nevertheless be compensated for legal costs if the events or matters that are the basis of the claim happened after the insurance came into force.
- 50.3 If the Insured no longer has Legal Cost Insurance or a comparable insurance when a dispute arises, he or she can nevertheless be compensated for legal costs from this insurance if it was in effect when the events or matters that form the basis of the claim occurred and if no more than four years have passed since those events or matters occurred.

51. Geographical Limitations.

- 51.1 This insurance provides for compensation for liable events that occur in Iceland or during travel abroad for up to 92 consecutive travel days from the departure date.

52. Sum Insured.

- 52.1 The maximum compensation for each event of damage, and the accrued compensated incidents during the insurance year is the sum insured of the Legal Cost Insurance as specified on the insurance certificate or the premium receipt. However, compensation can never higher than the amount of the disputed interests.
- 52.2 It will be considered one insurance incident if other Insureds are involved on the same side of a dispute or case. If the Insured is involved in more than one dispute, those cases shall be considered to be one insurance incident where the existing claims have essentially the same basis.

53. The Insured's Deductible.

- 53.1 In each event of loss or damage, the Insured bears the deductible specified on the insurance certificate or premium receipt.

54. Reimbursement Claim.

- 54.1 In so far as compensation with respect to this insurance has been paid, the Company assumes the right of the Insured to legal expenses from opposing parties or from the authorities.

OPTIONAL INSURANCE POLICIES

VII. TRIP CANCELLATION INSURANCE (Optional, Condition No. 13)

55. Who are the Insureds?

- 55.1 The Insureds are those specified in Paragraph 1 of Article 1.
- 55.2 The Policyholder's children and/or the children of his or her spouse who are younger than 16 are also insured, even though they may have a different registered domicile than the Policyholder, when they intend to travel abroad in the care of the Policyholder and/or his or her spouse.

56. Scope of Insurance.

- 56.1 The Insurance will compensate prepaid travel costs, or costs for which prepayment has been negotiated and which is non-refundable, up to the insurance amount for a trip that the insured cannot take if the reason is one of the following:



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- a. death, physical injury, illness, childbirth, or quarantine of the Insured, provided that this is certified by a practising physician,
 - b. a close relative or a close co-worker:
 - I. dies, or
 - II. suffers serious physical injury or falls seriously ill, provided that this is certified by a practising physician,
 - c. substantial property damage in the home of the Insured, or in a company owned by the Insured, which makes the presence of the Insured necessary, provided that a police report on the event has been obtained and the Company has been consulted as to whether the trip must be cancelled,
 - d. witness duty before a court of law,
 - e. absence due to work that the insured cannot avoid performing pursuant to legislation on mandatory quarantine or if a journey is prevented because of public restrictions established due to an epidemic,
 - f. disruption that results in a delay of at least 12 hours of the departure of the public transport of the Insured on departure according to a travel schedule provided to the Insured,
 - g. hijacking of transport vehicle.
- 56.2 Circumstances pursuant to Paragraph 1 shall be of such nature that the cancellation of a previously made booking is unavoidable.
- 56.3 The Insurance does not compensate for:
- a. loss or damage resulting from any illness or disease the Insured suffered and was being treated for when the deposit was paid,
 - b. diseases occurring during the ninth month of pregnancy,
 - c. loss or damage due to a serious accident that occurred before the insurance was purchased or had already occurred when the travel costs were paid,
 - d. loss or damage that is the direct or indirect result of the following:
 - i. governmental directive (except in the case of mandatory quarantine),
 - ii. the omission or negligence of parties responsible for transportation or accommodation or the omission of the agent responsible for the arrangement of the trip,
 - iii. the reluctance of the Insured to travel or his or her poor financial circumstances,
 - iv. expenses that the travel agency, guesthouse, or airline are under the obligation to pay,
 - v. changes to the planned summer vacation period,
 - vi. extra fees imposed by the travel agency which raise the basis of its tariffs,
 - e. loss or damage resulting from neglecting to inform the travel agency or the entity organizing transportation or accommodation that it has proven necessary to cancel the trip,
 - f. loss or damage resulting from the failure of the Insured to register for departure according to the travel schedule provided to the Insured, on the condition that no changes to the scheduled time have been confirmed by the airline or travel agency,
 - g. loss or damage resulting from an aircraft or a vessel being temporarily removed from service or removed in another manner according to the directive of a public authority,
 - h. loss or damage resulting from strike actions if it was known when the deposit was paid that such a strike would commence before departure,
 - i. loss or damage resulting from the financial difficulties or bankruptcy of the travel agency and other such entities responsible for passenger transportation.
- 57. Sum Insured.**
- 57.1 The sum insured, including the maximum compensation amount for each Insured in each insurance event, is stated on the insurance certificate or the renewal receipt.
- 58. Determination of Compensation.**
- 58.1 The Insured shall submit the necessary documents for a claim for compensation, e.g. medical certificate, travel receipt, and receipt for the payment of travel costs.
- 58.2 The medical certificate is to be presented on the appropriate form provided by the Company.
- 58.3 The Insured shall not profit from the insurance event. The insurance shall compensate only the actual



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

loss or damage suffered by the Insured.

- 58.4 If the Insured pays a separate cancellation fee or other comparable fee to the travel agent, or if such fee is imposed on the Insured when the journey is purchased for the purpose of refunding the travel in the event of cancellation, no compensation shall be paid from this insurance.
- 58.5 Compensation from this insurance is paid for cancellations that occur until the Insured departs from his or her home.

59. Double Insurance.

- 59.1 If more than one insurance company are liable for loss or damage, they shall, unless otherwise agreed, pay the compensation in proportion to their relative liability for the loss or damage.

VIII. BAGGAGE INSURANCE (Optional, Condition No. 2).

60. Who are the Insureds?

- 60.1 The Insureds are those specified in Paragraph 1 of Article 1.
- 60.2 The Policyholder's children and/or the children of his or her spouse who are younger than 16 are also insured, even though they may have a different registered domicile than the Policyholder, when they are travelling abroad in the care of the Policyholder and/or his or her spouse.

61. Damages Covered by the Insurance.

- 61.1 The insurance compensates for damages to the insured baggage caused by fire, theft, robbery, break-in, vandalism, and transportation accidents, as well as if the insured luggage is completely lost during transportation, subject, however, to the limitations described in these terms. A transportation accident means an incident where a vehicle, an airplane, or a vessel has an accident that causes damage to the insured items. Moreover, it means damage to items while in the care of common carrier.

62. Insured Items.

- 62.1 The insurance covers personal effects in the possession of the Insureds when travelling.

63. Limitations to the Scope of the Insurance.

- 63.1 The insurance does not compensate for:
- cash, cheques, travellers' cheques, travel tickets, securities, or any documents,
 - damages, including, as applicable, internal damages, such as mechanical failures, short circuits, and other damages to electrical systems, damages to fragile or delicate items, such as radios, vinyl records, compact discs, tape recorders, video players, cameras, video recorders, eyeglasses, ceramics, items made of glass, or statues, unless the damage is caused by fire, theft or because the means of transport suffers damage;
 - scratches, dents, bruising or rubbing which does not lessen the useability of the insured item,
 - damage to baggage caused by fluids or food that are kept in the baggage, except when the means of transport is damaged,
 - delays due to the actions of government officials or detention by customs authorities,
 - damages to items that are damaged by use, e.g. skis and other sports equipment,
 - damages to items stolen from unlocked premises, storage spaces, vehicles, and boats,
 - damages to items which the Insured forgets, loses, misplaces, or to items which are left unattended in public places, such as in the premises of common carriers, bathing centres, campsites, public washrooms, etc.,
 - damages resulting from insufficient or poor packaging, wear, or deterioration, vermin, or the denaturation of items,
 - damage to suitcases and bags while in the care of common carriers.

64. Geographical Limitations.

- 64.1 The insurance is valid abroad for up to 92 consecutive travel days of travel from the day of departure



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

from Iceland until the return to Iceland.

64.2 The insurance does not apply when the Insured is studying or working abroad if the duration of study or employment is longer than 92 days. The Insurance is valid, however, during travel to and from Iceland.

65. Precautionary Principle.

65.1 The Insured shall take good care of his or her baggage and take necessary precautions, to the fullest extent possible, to prevent damages. Violations of this principle may lead to the termination of the Company's liability, in full or in part.

66. Sum Insured.

66.1 Compensation with respect to each loss incident and in total for each insurance year may be a maximum of 7% of the sum insured of the Home Contents Insurance as current at the time.

67. Determination of Compensation.

67.1 Compensation is paid out in accordance with the rules that apply to the Home Contents Insurance. Compensation with respect to any one item is limited to 15% of the insurance amount of the Baggage Insurance. **(For this reason, it may be necessary for the Insured to take out additional baggage coverage if the value of the baggage exceeds this amount.)**

68. Deductible.

68.1 The Insured bears 25% deductible for each loss, but never less than the amount specified on the insurance certificate or premium receipt.

IX. BAGGAGE DELAY INSURANCE (Optional, Condition No. 2)

69. Who are the Insureds?

69.1 The Insureds are those specified in Paragraph 1 of Article 1.

69.2 The Policyholder's children and/or the children of his or her spouse who are younger than 16 are also insured, even though they may have a different registered domicile than the Policyholder, when they are travelling abroad in the care of the Policyholder and/or his or her spouse.

70. Scope of Application.

70.1 The Insurance applies to delays in the delivery of baggage to a destination in a scheduled or charter flight for 92 consecutive days from the beginning of the journey from Iceland.

70.2 The Insurance is not valid when the Insured is studying or working abroad if the duration of such study or employment is longer than 92 days and the delay occurs at the destination where the Insured studies or works.

71. Scope of Insurance.

71.1 In the event that the Insured does not receive his or her baggage within 12 hours upon arrival at the destination, due to delays or incorrect processing, compensation shall be paid for the purchase of necessary items for each Insured aged 16 and above.

71.2 Compensation shall be paid to children under the age of 16 if they travel unaccompanied by a guardian.

71.3 Compensation is not paid for baggage delivery delay when the Insured is on his or her way home.

71.4 Receipts for expenses do not need to be submitted in order to claim compensation under this Insurance.

72. Precautionary Principle.

72.1 The Insured shall organize his or her travel arrangements so that the time between connecting flights is



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

not less than the minimum stipulated by the airline/airport in question, and which is noted in the travel booking. Violation of this principle may lead to the termination of the Company's liability, in full or in part.

73. Sum Insured.

73.1 Sums insured, i.e. the maximum compensations paid from the Insurance during each period and for each Insured in each insurance event are stated on the insurance certificate or the renewal receipt.

74. Notification of Loss or Damage to Airline.

74.1 In the event that baggage is lost during a journey or while baggage is in the care of an airline, the claimant is under obligation to report the loss immediately upon landing to the service desk of the airline by means of the appropriate form (PIR form). The claimant shall submit a written confirmation from the airline, which clearly states the length of the delay, to the Company.

75. Double Insurance.

75.1 If more than one insurance company is liable for loss or damage, they shall, unless otherwise agreed, pay the compensation in proportion to their relative liability for the loss or damage.

X. TRAVEL MEDICAL AND TRIP INTERRUPTION INSURANCE (Optional, Condition No. 1).

76. Who are the Insureds?

76.1 The Insureds are those specified in Paragraph 1 of Article 1.

76.2 The Policyholder's children and/or the children of his or her spouse who are younger than 16 are also insured, even though they may have a different registered domicile than the Policyholder, when they are travelling abroad in the care of the Policyholder and/or his or her spouse.

77. Scope of Insurance.

77.1 The Company pays costs incurred during travel abroad for up to 92 consecutive travel days from the day of departure from Iceland because of accident, illness, or death of the Insured during leisure time as further discussed in Articles 78 to 84 below.

77.2 The Company pays costs incurred during travel abroad because of employment for up to 92 consecutive travel days from the day of departure from Iceland if the travel is related to business activities without the risk of workplace accident, such as meetings, conferences, or training courses.

77.3 The Insurance is not valid when the Insured is studying or working abroad if the duration of such study or employment is longer than 92 days. The Insurance is valid, however, during travel to and from Iceland.

78. Medical Costs Covered by the Insurance.

78.1 The Insurance pays the Insured compensation for costs that are further specified below in Paragraphs 2 to 9.

78.2 Hospital stay costs as well as medical care, prescription drugs, and other services provided by the hospital. The stay and treatment shall be ordered by a physician, and payment shall be relative to a general hospital in the country in question.

78.3 Medical care and prescription drugs recommended by a physician.

78.4 Pain-relieving dental repair (only in the case of emergency), never, however, more than 1% of the insurance amount.

78.5 Additional expenses for special hotel accommodation, when a physician is of the opinion that the treatment can take place in a hotel. These expenses include costs related to nursing, medically-recommended diet, etc., never, however, more than 1% of the insurance amount.

78.6 Additional expenses for the travel home, or travel to return to a predetermined travel schedule due to delays caused by the hospitalization of the Insured at the recommendation of a physician and in consultation with the emergency services of the Company, including the travel expenses of a companion, if such companion is considered necessary by the physician.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- 78.7 If the physician who has treated to the Insured is of the opinion that travel home by normal means of travel is necessary and adequate, the physician's written confirmation is sufficient for the Company. In such cases, additional expenses for the travel home, such as an extra seat, a more expensive seat, etc., will be covered. If the illness or accident event is so serious that the physician is of the opinion that the Insured must be transported home in another manner, the emergency service of the Company shall take care of such transport.
- 78.8 In the event of the death of the Insured during his or her travel, the emergency service of the Company shall take care of the transportation of the deceased and his or her travel companion to Iceland, as well as cover costs resulting from mandatory measures.
- 78.9 If the Insured is injured, becomes seriously ill, or dies during his or her travel, the company will pay the travel and accommodation expenses of a close relative, who is summoned to the Insured, in consultation with the emergency service of the Company. The maximum compensation paid by the Company for each loss event that is subject to this provision amounts to 8.5% of the sum insured of the Travel Medical Insurance pursuant to Paragraph 1 of Article 84.

79. Refund of Vacation Costs.

- 79.1 If a stay is cut short due to the instruction of a physician to return home in the first half of the stay or due to hospitalization for at least half the stay, the Company pays the price that the Insured paid for his or her journey before its commencement. A condition of the compensation is that the trip is solely a vacation.
- 79.2 After the trip is halfway through, the Company will reimburse proportionally the Insured's irretrievable travel costs for the remaining part of the trip that the Insured cannot make use of because, according to the written recommendation of a physician and with the consent of the Company and its emergency service, he or she must interrupt his or her trip and return home, or he or she is hospitalized due to serious illness or a serious accident.
- 79.3 The maximum liability of the Company for each loss incident that falls under Paragraphs 1 and 2 amounts to 8.5% of the sum insured.
- 79.4 Compensation with regard to a loss incident that falls under Paragraph 2 will be paid out only with respect to trips that last for six days or longer, and payment will only be made for the patient and those Insureds who must necessarily abandon his or her trip to accompany the patient home.

80. Abandonment of Travel.

- 80.1 The Company pays the necessary additional costs of returning to Iceland if the person who is insured is obliged to abandon his or her overseas stay due to:
- death, serious accident, or sudden serious illness of a spouse, cohabiting partner, children, parents, siblings, parents-in-law, sons-in-law or daughters-in-law of the person insured, or,
 - substantial property damage in the home of the Insured, or in a company owned by the Insured, which makes his or her presence necessary.
- 80.2 The Company does not pay either for the unused part of travel costs or for a new trip abroad to replace the one that was abandoned.
- 80.3 The maximum compensation paid by the Company for each loss incident that falls under Paragraph 1 amounts to 8.5% of the insurance amount of the Travel Medical Insurance pursuant to Paragraph 1 of Article 84.

81. Limitations to the Scope of the Insurance.

- 81.1 The Insurance does not compensate for costs which may be traced to the following:
- use of drugs without the recommendation of a physician,
 - diseases occurring during the ninth month of pregnancy and caused by birth or miscarriage, nor diseases caused by an abortion,
 - diseases or accidents that can be traced to the consumption of alcohol or controlled drugs and narcotics.
 - chronic diseases and accidents for which the Insured has received medical care during the past 12 months,
 - continuing treatment, if the Insured refuses to be transported home at the recommendation of the



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

physician who treated him or her and/or at the recommendation of the emergency service of the Company,

- f. treatment abroad for longer than three months,
- g. the purchase of any form of prosthetics or assistive devices, such as prosthetic limbs, dentures, glasses, contact lenses, hearing aids, etc.

81.2 The limitations to the compensation liability that apply to the Leisure-Time Accident Insurance and are specified in Articles 27.2, 28, and 29 also apply to this insurance, where appropriate. The Company pays compensation, however, for illness, accident, or death of the Insured caused by food poisoning, beverage poisoning, or infections caused by insect bites or stings.

82. Measures to Avoid Damages.

82.1 The Insured shall, without exception, follow the instructions of the physician who has treated to him or her as well as of the emergency service of the Company. The Company will not pay any additional costs resulting from the failure to follow such instructions.

83. Compensation Reduction.

83.1 The Company pays only costs pursuant to Article 78 to the extent that such costs are not paid by another party, e.g. public health insurance or the State Social Security Institute.

84. Sum Insured and Deductible.

84.1 The maximum compensation for each insurance incident and the accrued compensated events during the insurance year, is the insurance amount of the Travel Medical Insurance and Trip Interruption Insurance specified on the insurance certificate or the premium receipt.

84.2 In each event of loss or damage, the Insured bears the deductible specified on the insurance certificate or premium receipt.

XI. COMPREHENSIVE HOME CONTENTS INSURANCE (Optional, Condition No.12).

85. Scope.

85.1 Comprehensive home contents coverage can be purchased in addition to the coverage provided by the Home Contents Insurance within Home Insurance. This protection is called Comprehensive Home Contents Insurance.

85.2 The insurance covers loss or damage to insured personal effects caused by sudden and unforeseen external circumstances during the insurance period. Compensation will be paid by the Insurance on the condition that the loss or damage is not covered by the Home Contents Insurance within Home Insurance. This Insurance will then not pay the portion of the loss that is not compensated by the Home Insurance because of the limitations provided for the maximum compensation amount.

86. Insured Items.

86.1 The Insurance covers loss or damage to the Insured's home contents and personal effects as specified in Item 1 in the inventory of insured effects in Home Contents Insurance, in the Summary of the Scope of the Insurance. The insurance also covers loss or damage to effects included in Items 2, 3, and 5 of the Summary. However, the Insurance does not cover cash, securities, manuscripts, original drawings, coin collections, or stamp collections pursuant to Item 4 of the Summary, nor does it cover tools, as pursuant to Item 6. The Insurance does not cover loss or damage of effects listed in Paragraph 1 of Article 16.

87. Geographical Limitations.

87.1 The insurance is valid in Iceland and on travel abroad for up to 92 travel days from the day of departure from Iceland.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

88. Exclusions.

- 88.1 The Insurance does not compensate for loss:
- when insured items are lost, forgotten, misplaced, or left behind in public places,
 - due to theft,
 - caused by sudden changes in temperature or humidity,
 - caused by natural wear and tear or unsatisfactory maintenance,
 - caused by faults, cosmetic defects, structural defects, or breakdowns,
 - due to damage caused by pets.

89. Precautionary Principle.

- 89.1 The Insured shall follow the instructions for use that apply to insured effects. Violations of this principle may lead to the termination of the Company's liability in full or in part, pursuant to Article 26 of the Act on Insurance Contracts.

90. Sum Insured.

- 90.1 The maximum compensation for each loss incident and the accrued compensated events during the insurance year, is the sum insured of the Comprehensive Home Contents Insurance as specified on the insurance certificate or the premium receipt. The maximum compensation for each bicycle, however, amounts to no more than ISK 150.000.

91. Deductible.

- 91.1 The Insured's deductible for each insurance incident is the same as in the Home Contents Insurance within Home Insurance, as pursuant to Paragraph 7 of Article 20, and it is further specified on the insurance certificate or premium receipt.

92. Miscellaneous Provisions.

- 92.1 In other respects, the terms and conditions of the Home Insurance apply to this insurance.

XII. CRISIS COUNSELLING.

93. Who are the Insureds?

- 93.1 The Insureds are those specified in Paragraph 1 of Article 1.
- 93.2 The Policyholder's children and/or the children of his or her spouse who are 18 years old or younger are also insured, even though they may have a different registered domicile than the Policyholder, and are in the care of the Policyholder and/or his or her spouse when the insurance event occurs.
- 93.3 Moreover, the children specified in Paragraph 2 of Article 93 are entitled to crisis counselling if the Policyholder and/or his or her spouse are diagnosed with a serious illness, are involved in a serious accident, or pass away, regardless of whether they are in the care of the Policyholder and/or his or her spouse when the insurance event occurs.

94. What is Crisis Counselling?

- 94.1 Crisis counselling is psychological support for individuals or groups who have suffered severe distress or fear as result of an event of loss or damage which is so threatening or overwhelming that it may be assumed that people will find it difficult to process the experience without assistance.

95. Scope of the Insurance.

- 95.1 Crisis counselling is offered to Insureds in the event of circumstances described in Paragraph 1 of Article 94, caused by the following events of loss or damage which occur after the insurance has come into effect:



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

- a. the Insured has experienced a life-threatening situation,
- b. the Insured has suffered a serious accident or is directly involved in such an accident,
- c. the home of the Insured is burglarized,
- d. the home of the Insured is substantially damaged,
- e. the Insured is diagnosed with a serious illness, as well as if the children, spouse or parents of the Insured, who are 65 years old or younger, are diagnosed with a serious illness, are involved in a serious accident, or pass away.

96. Limitations to the Scope of the Insurance.

- 96.1 Crisis counselling is not offered for long-term distress or long-term difficulties.
- 96.2 Crisis counselling is not covered by this insurance regarding difficulties that are not related to a particular event of loss or damage pursuant to Items a-e of Paragraph 1 of Article 95.
- 96.3 Crisis counselling is available to the Insured for up to six weeks after the event of loss or damage.

97. Geographical Limitations.

- 97.1 Crisis counselling is offered to the Insured regarding events of loss or damage liable for compensation that occur in Iceland and during travel abroad in a trip that lasts up to 92 days.

98. Scope of Compensation.

- 98.1 The Company covers up to two consultations with crisis counsellors or therapists, whom the Company is responsible for providing.
- 98.2 The Company shall approve a crisis counselling consultation before it begins.
- 98.3 Crisis counselling can only take place in Iceland.
- 98.4 Although general crisis counselling is provided following an event of loss or damage, the right of the Insured to crisis counselling pursuant to this Insurance does not lapse.
- 98.5 Crisis counselling from this Insurance is provided at the workplace of the counsellors or therapists in question and not at the site of the event of loss or damage.
- 98.6 Only the cost of the consultations is covered; other expenses, such as travel costs, are not covered by the Insurance.

XIII. HOME-SHARING INSURANCE (Optional, Condition No.14).

99. Scope of Insurance.

- 99.1 The insurance covers theft and vandalism of insured effects caused by those who are staying in the apartment as tenants, so long as the home-sharing service is provided pursuant to the Act on Restaurants, Lodging and Entertainment No. 85/2007. The Insurance also covers theft and vandalism of insured effects due to break-ins into the home that the Insured rents out for home-sharing and the compensation by the Company is conditional upon there being clear and unambiguous signs of a break-in at the scene.
- 99.2 The Insurance applies to the home that is specified as the place insured on the insurance certificate as long as it is registered for home-sharing at the local District Commissioner (*sýslumaður*) office pursuant to the Act No. 85/2007 when the insurance event occurs.

100. Insured Effects.

- 100.1 The Insurance covers loss or damage to the Insured's home contents and personal effects as specified in Item 1 in the inventory of insured effects in Home Contents Insurance, in the Summary of the Scope of the Insurance.
- 100.2 The Insurance does not, however, cover loss or damage to jewellery, as pursuant to Item 3 of the Summary, neither to cash, securities, manuscripts, original drawings, coin collections, or stamp collections pursuant to Item 4 of the Summary, nor to tools, spare parts, and equipment, as pursuant to Item 6.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

101. Sum Insured, Underinsurance, and Deductible.

101.1 The maximum compensation for each insurance incident and the maximum accrued compensation during the insurance year are equal to the sum insured as specified on the insurance certificate or the premium receipt. The compensation for each individual item is, however, never higher than ISK 500.000, or ISK 150.000 for each bicycle, pram, or stroller.

101.2 If the total value of the Insured's home contents is higher than the insured amount, the Company will pay only proportional compensation. For example, if the value of the home contents is twice as high as the sum insured, and compensation would otherwise be ISK 1 million, the actual compensation would be only ISK 500.000.

101.3 If a loss or damage to home contents has been compensated, the sum insured will be reduced by the amount of that compensation from the day of the loss until the end of the insurance period. The sum insured may, however, be increased to the one before the loss by paying an additional premium.

101.4 The Insured's deductible for each loss is the amount specified on the insurance certificate or premium receipt.

102. Notification of Loss.

102.1 Notification to the Company and to the police is pursuant to Article 5 of these terms and conditions where appropriate.

103. Determination of Compensation.

103.1 Determination of compensation is pursuant to Article 19 of these terms and conditions.

Registration in the Claims Database Creditinfo Lánstraust hf.

Claims submitted to insurance companies are registered in a specialized claims database which is run by Creditinfo Lánstraust hf. according to an agreement with Finance Iceland (*Samtök fjármálafyrirtækja, SFF*), of which the Company is a member, and according to authorization of the Icelandic Data Protection Authority (*Persónuvernd*). The Company is the party responsible as defined by Act No. 90/2018 on Data Protection and the Processing of Personal Data regarding the registration of data in the database and the searches carried out therein. The objective of the registration in the claims database is to counter insurance fraud and overpayment of insurance benefits. Registered is the information about the Claimant's ID number (*kennitala*), the insurance claim number, the kind of loss or damage and of the insurance policy, the date of the insurance event and of the registration, the location of the insurance event and, where applicable, the unique number of the insured item, such as a car's registration number. When registering a claim, the Company receives a summary of all claims that the Claimant has filed, regardless of with which insurance company, and that have been registered in the claims database. Only those employees of the Company who register damages and work on damages settlement have access to the database. The data shall be deleted from the database when it is no longer needed for the purpose of processing, at the latest when 10 years have passed since the registration of the data.

These terms and conditions are valid from 2 May, 2019.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

	A Fire	B Short Circuits	C Traffic Accidents	D Burglary
The Insurance covers the following incidents of loss or damage:	Fire, lightning, explosions, suddenly falling soot from heating equipment. Aircraft crashes or parts from such crashes.	Damage to electrical equipment due to short circuits.	Damage to home contents in motor vehicles that are involved in traffic accidents.	Burglary of locked homes, vehicles, private boats, private aircrafts, cabins or RVs. The payment of compensation is conditional on there being clear, indisputable evidence of a break-in at the scene of the crime.
Exceptions and Limitations:	The Insurance does not compensate for:	The Insurance does not compensate for:	The Insurance does not compensate for:	The Insurance does not compensate for:
	Scorching or melting that is not considered to be fire, such as scorching from irons, lit tobacco products, fireplaces or similar locations, or damage to items that are intentionally placed at risk of fire or heat.	Damage to equipment that is more than 10 years old. Damage to equipment that is still under warranty. Damage resulting from wear and tear, inadequate maintenance, or incorrect assembly. Damage that can be traced to power supply failure causing voltage change.	Damage while moving house. Damage to items being moved for a fee. Damage that is covered by other insurances.	Damage or loss because of burglary from a home that has been unoccupied for more than 6 months. The same applies to RVs and summer cabins when they are unoccupied. Damage or loss due to theft from accommodations or motor vehicles that the Insured rents to others. Damage or loss due to theft from unlocked residences or vehicles. Damage or loss due to theft of or from tents or pop-up campers. Damage or loss due to theft committed or witnessed by one of the Insureds.
Insured Items:				
1) General home contents and personal effects of the Insured that generally accompany a household and are not considered part of the property or its typical appurtenances.		Only electrical equipment or parts pertaining to it.		Maximum 5% of the sum insured in: a) storage space external to the residential building, b) sheds or garages. Maximum compensation due to theft of CDs from vehicles is 30.000 ISK for each instance of loss (after the deductible has been applied).
Specified Home Contents:				
2) Paintings, works of art, cameras, video recorders, video players, binoculars, musical instruments, stereo sound systems, televisions, radios, tape recorders, computers, communication and positioning equipment. 3) Jewellery, watches, to a maximum of 5% of the sum insured.		Only video players, stereo sound equipment, televisions, radios, tape recorders, and computers or parts pertaining to them.		Not in: a) storage space external to the residential building, b) sheds or garages.
4) Money, securities, manuscripts, original drawings, coin or stamp collections. Maximum 1% of the sum insured amount per item.				Not in: a) storage space external to the residential building, b) sheds or garages, c) any residential building that has been unoccupied for more than 2 months
5) Locked bicycles, prams and strollers. Maximum compensation for damage or loss to a bicycle is ISK 150,000 (after deductible has been applied).				
6) Tools, spare parts, and maintenance equipment that the insured owns and uses as a wage employee in his employment. Maximum 5% of the sum insured.				But not from work sheds, Portakabins, or similar.



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

	E Theft	F Robbery	G Vandalism	H Spillage
The Insurance covers the following incidents of loss or damage:	Theft from elementary school or unlocked home. When damage or loss occurs in an elementary school, the Insurance covers the student's possessions only.	The seizure of insured effects with physical violence or threats of exerting such forthwith.	Damage to insured effects caused intentionally during a break-in.	Damage or loss caused by water, oil, or other liquids that leak suddenly and unexpectedly from pipes in the home or from appliances connected to them, water beds or aquaria, but not, however, from drains and gutters.
Exceptions and Limitations:	The Insurance does not compensate for: Loss suffered when the Insured forgets items, loses them, or acts in a manner likely to result in loss. Damage or loss caused by theft from an unoccupied home or from one that the Insured rents to others. Damage or loss due to theft committed by or witnessed by one of the Insureds. Theft committed by an individual invited into the home by the Insured.		The Insurance does not compensate for: Damage to items that are outdoors other than on the premises of the Insured's home. Damage or loss caused by the Insured or by anyone permitted to stay in the home of the Insured.	The Insurance does not compensate for: Damage or loss caused by external water such as groundwater, rain, flood, meltwater, or water escaping from sewage pipes due to high pressure. The Insurance does cover such damage, however, if it is directly traceable to blocked or burst pipes inside the home.
Insured Items:				
1) General home contents and personal effects of the Insured that generally accompany a household and are not considered part of the property or its typical appurtenances.	Maximum 5% of the sum insured. Deductible due to theft from elementary schools is ISK 10,900.		Maximum 5% of the sum insured in: a) storage space external to the residential building, b) sheds or garages c) outdoor spaces.	
Specified Home Contents:				
2) Paintings, works of art, cameras, video recorders, video players, binoculars, musical instruments, stereo sound systems, televisions, radios, tape recorders, home computers, communication and positioning equipment. 3) Jewellery, watches, to a maximum of 5% of the sum insured.	Maximum 5% of the sum insured.		Not in: a) storage space external to the residential building, b) sheds or outbuildings, c) outdoor spaces.	
4) Money, securities, manuscripts, original drawings, coin or stamp collections. Maximum 1% of the sum insured per item.				
5) Locked bicycles, prams and strollers. Maximum compensation for damage to or loss of a bicycle is ISK 150,000 (after deductible has been applied).	The deductible is 25% in each instance of loss or damage, although the minimum deductible with respect to home contents as specified on the certificate. If a receipt is not presented confirming the date of purchase, type, and value of the bicycle, the maximum compensation will be no higher than ISK 50,000 (after the deductible has been applied).		Deductible is 25% of each loss, although always at least the deductible with regard to home contents as specified on the certificate.	
6) Tools, spare parts, and maintenance equipment that the Insured owns and uses as a wage employee. Maximum 5% of the sum insured.			Applies only to theft from locked domestic premises and not from work sheds.	



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

	I Storms	J Refrigerated and Frozen Products	K Overheated Washing	L Breakage or Collapse	M Cloudburst and Sudden Thaw
The Insurance covers the following incidents of loss or damage:	Damage or loss to insured items caused by storms with winds of 28.5 m/s (force 11 on the Beaufort Scale) and damage that is a result of the wind tearing off a roof, window, or other part of the building.	Damage to freezers or refrigerators or the food they contain due to sudden and unexpected loss of power.	Damage to laundry due to overheating of a washing machine or a dryer caused by a failure in the washing machine or dryer. Maximum 5% of the sum insured.	Damage to contents of the Insured's home caused when the items fall suddenly and break with no external influence. "Home contents" means general household items such as furniture, paintings, decorations, and household appliances.	Loss or damage to home contents caused by groundwater flowing in, when caused by sudden heavy rain (cloudburst) or thawing snow (meltwater). "Sudden heavy rain or meltwater" means that there is suddenly too much groundwater for the surface drains to manage.
Exceptions and Limitations:	The Insurance does not compensate for:	The Insurance does not compensate for:	The Insurance does not compensate for:	The Insurance does not compensate for:	The Insurance does not compensate for:
	Loss or damage to items outdoors. Damage resulting from floods caused by storms. Damage caused by rain except when it is a direct result of sudden damage to the building in question.	Damage to the freezer or refrigerator if the item is more than 5 years old. Damage to equipment still under warranty. Damage caused by wear and tear or inadequate maintenance. Damage caused by the power supply terminating the electrical supply.	Damage to the washing machine or the dryer themselves.	Damage to items other than those specified above, e.g. telephones, computers, tools, glasses, watches, cameras, video recorders, or other personal effects. Damage caused while moving items. Damage that the Insured causes by pulling, dropping, or throwing them down. Damage occurring outside the home of the Insured. Damages resulting from spilled liquids.	Damage resulting from external water from balconies, gutters, or their drainpipes, or due to tides and/or groundwater. The same applies to the water damage that Iceland Catastrophe Insurance is obligated to cover. It is a condition of the Company's liability for compensation that the Insured ensures the drains on the property are free of debris, so that snow, ice, or soil do not block them.
Insured Items:					
1) General home contents and personal effects of the Insured that generally accompany a household and are not considered part of the property or its typical appurtenances.		Maximum 2% of the sum insured.	The deductible is 25% of each event of loss or damage, but always at least the deductible regarding home contents as is specified on the certificate (a receipt for repairs on a washing machine or a dryer must be submitted when filing a compensation claim).		
Specified Home Contents:					
2) Paintings, works of art, cameras, video recorders, video players, binoculars, musical instruments, stereo sound systems, televisions, radios, tape recorders, computers, and communication and positioning equipment. 3) Jewellery, watches, to a maximum of 5% of the sum insured.					
4) Money, securities, manuscripts, original drawings, coin or stamp collections. Maximum 1% of the sum insured per item.					
5) Locked bicycles, prams, and strollers. Maximum compensation for					



103 Home Insurance TM3

This is a translation of the authoritative Icelandic text. Should there be any discrepancy between the translation of these terms and the Icelandic version, the original Icelandic terms apply.

INSURANCE TERMS AND CONDITIONS

damage to or loss of a bicycle is ISK 150,000 (after the deductible has been applied).					
6) Tools, spare parts, and maintenance equipment that the Insured owns and uses as a wage employee. Maximum 5% of the sum insured.					