

## Travel Insurance

### Insurance terms No. GT11

The insurance policy is governed by:

- The insurance policy, including endorsements and special terms.
- These insurance terms No. GT11.
- The Company's general terms and conditions No. YY10.
- Act No. 30/2004 on Insurance Contracts.

The provisions of the insurance policy or renewal receipt take precedence over the provisions of these insurance terms. The provisions of the insurance policy, of the renewal receipt and of the insurance contract terms take precedence over derogable legal provisions.

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## A. General terms and conditions

The general terms and conditions apply to chapters B, C and D of these terms and conditions.

### 1. The insured

The insured is the party named in the insurance policy or renewal receipt.

### 2. Special limitations on liability

The insurance contract does not compensate loss or damage or increases thereof that are directly or indirectly the result of or caused by:

- 2.1 Earthquakes, volcanic eruptions, landslides, snow avalanches or other natural disasters.
- 2.2 War, invasion, military actions, civil unrest, rebellion, riots, strike or similar activities.
- 2.3 Nuclear reaction, ionising radiation, pollution from radioactive substances, nuclear fuel or nuclear waste.

### 3. Payment of premiums

- 3.1 The insurance premium is due and payable upon demand.
- 3.2 Non-payment of premiums can result in loss of rights or cancellation of the policy, as provided for in Article 33 of Act No. 30/2004 on Insurance Contracts.

### 4. Time limitations on liability

The right to claim compensation expires after four (4) years. The period begins at the end of the calendar year in which the claimant received the necessary information about the events on which his claim is based. The claim to compensation shall expire, however, no later than ten (10) years after the end of the calendar year in which the insurance event occurred.

## B. Travel accident insurance

The insurance is included if it is specified in the insurance policy or the renewal certificate.

### 5. Applicability of the insurance policy

The insurance applies during travel overseas in the locations specified in the insurance policy or the renewal certificate.

## 6. The term “accident”

The term “accident” refers to a sudden external event causing personal injury to the insured person and occurring without his/her consent. In the case of injury to extremities, only a sudden event that causes physical injury to the insured and occurs against his/her will is required.

## 7. Scope of coverage

VÍS pays:

7.1 Compensation for an accident which the insured suffers during his leisure time, in the performance of domestic duties or when participating in sports activities if this causes:

7.1.1 Death.

7.1.2 Permanent medical disability.

7.1.3 Temporary loss of work capacity.

7.1.4. Broken teeth.

Compensation elements covered by the insurance policy are stated in the insurance certificate or the renewal receipt. The insurance policy covers broken teeth only when disability is specified as a compensation element.

### **The Company does not pay compensation for accidents:**

7.3 Caused by a motor vehicle that is registered abroad where there is mandatory insurance for such vehicles against such accidents.

7.4 During participation in competitions or during training sessions in preparation for competitions in any sport if the insured has reached the age of 16 years. Sports refers to individual- and team sports which are trained for regularly under coach supervision connected to a club or an organization which focus on sports competition.

Those restrictions do not apply for public participation in competition or preparation for golf, road cycling, triathlon, cross country- or street running.

7.5 In fighting, wrestling or self-defence sports where the object of the sport in question is to hit, punch or kick the opponent or to tackle the opponent in any other manner. This exemption, however, does not apply to children below the age of 16:

7.6 In driving sports. This exemption, however, does not apply to children below the age of 16:

7.7 During cliff rappelling and cliff, mountain and ice climbing.

7.8 When mountain hiking of any sort higher than 4,000 m above sea level.

7.9 When scuba diving with an oxygen tank and during free-diving (without oxygen) to a depth greater than 10 m.

Risks according to Section 7.4 to 7.9 can be insured separately.

7.10 During hot-air ballooning and glider, kite, hang-gliding, ultralight aircraft flights and other comparable activities.

7.11 In bungee jumping, sky-diving and base jumping and other comparable activities.

7.12 During flights, unless the insured is a passenger on a scheduled flight or charter flight operated by a party having the requisite aviation authority permits.

7.13 In fist-fights or participation in the commission of a punishable act.

7.14 Injuries as a result of indoor tanning, medical treatment, surgical procedure or use of medicinal products, unless prescribed by a physician on account of an accident covered by the insurance policy and performed in a recognised medical facility.

7.15 Occurring due to painkilling drugs or barbiturates.

7.16 Through food or beverage poisoning.

7.17 Injuries caused by toxic gases, unless the poisoning occurred without warning and against the will of the insured.

7.18 As a result of infections due to insect bites or stings.

7.19 Directly or indirectly caused by acts of terrorism, any sort of biological or chemical effects and/or poisoning, including those caused by microbes and viruses, or when the consequences of an accident are more severe because of these factors.

## 8. Age limits

The insurance policy expires when the insured reaches the age of 70.

## 9. Insurance amount

- 9.1 The maximum amounts of insurance coverage for death benefits and disability pension are stated in the insurance certificate or renewal receipt.
- 9.2 Amounts of insurance coverage are adjusted in accordance with the consumer price index.
- 9.3 Compensation amounts are calculated on the basis of the amount of insurance coverage on the date of the accident as follows:
- 9.3.1 Death benefits change in proportion to changes in the index from the date of the accident to the date of death.
- 9.3.2 Disability benefits change in proportion to changes in the index from the date of the accident to the date of settlement. The duration of the indexation of disability, however, is never longer than three years from the date of the accident.
- 9.3.3 Per diem payments change in direct proportion to changes in the index from the date of the accident until work capacity is restored.

## 10. Determination of compensation

- 10.1 Death benefits.
- 10.1.1 If the insured dies as a result of an accident within one year from the date of the accident, death benefits will be paid less any benefits that the Company may have paid to the insured for permanent disability due to the same accident.
- 10.1.2 If the insured dies as a result of an accident when more than one year has elapsed from the accident but before the final disability assessment has been carried out, compensation shall be paid in accordance with the interim disability assessment, with the amount, however, never exceeding the amount which the death benefits would have been.
- 10.1.3 Death benefits will only be paid if the accident is the direct and sole cause of the insured's death. If a disease, debilitation or pathological condition suffered by the insured is a contributing factor to his death, no death benefits will be paid. This applies whether this condition was present when the accident occurred, or arose later, without, however, being a direct and the sole consequence of an accident covered by the insurance contract.
- 10.1.4 The Company has the right to request that an autopsy be performed on the deceased to

ascertain the cause of death and other issues that may affect the Company's liability.

- 10.1.5 Death benefits are paid to the insured person's spouse. In the absence of a spouse, the benefits will be paid to the statutory or testamentary heirs.
- 10.2 Compensation for permanent medical disability.
- 10.2.1 If an accident results in the permanent medical disability of the insured within three years of the accident date, disability compensation will be paid.
- 10.2.2 The disability shall be assessed in terms of percentages of the applicable tables of the Disability Committee on degrees of disability at the time of assessment. The disability assessment shall not take account of the occupation, particular talents or social status of the insured. Accidents which only result in disfigurement shall not be assessed in respect of disability. If it is likely that the condition of the insured may be ameliorated through surgical or other such treatments, account shall be taken of possible amelioration by such means. If the injury of the insured is not included in the disability tables of the Disability Committee, it shall be assessed specifically, having regard to the tables.
- 10.2.3 The full insurance amount will be paid for permanent 100% medical disability, but lesser degrees of disability will be compensated proportionally. Disability can never be assessed at more than 100%.
- 10.2.4 If loss of extremities, eyesight or hearing is not total, the disability will be compensated proportionally. If extremities become completely useless, it will be considered as loss thereof. If they are in some respects useful, the disability will be assessed proportionally.
- 10.2.5 Loss or further disablement of an extremity or organ which was useless prior to the accident does not give rise to entitlement to benefits for permanent medical disability. Loss or further disablement of an extremity or organ which was partly disabled prior to the accident shall be assessed as a disability, taking into account such prior partial disablement.
- 10.2.6 The disability shall normally be assessed one year after the accident, but otherwise once a physician has concluded that the permanent results of the accident have come to light, but in no case later than three years after the accident date.

- 10.2.7 If an accident results in permanent medical disability, such results shall be assessed by a single competent physician agreed on by the Company and the insured.
- 10.3 Compensation for temporary loss of work capacity.
- 10.3.1 The Company will make per diem payments if the insured suffers temporary loss of work capacity as a result of an accident. The per diem payments will be paid in proportion to the loss of work capacity after the end of a waiting period for as long as a physician considers the insured unable to work or until a disability assessment has been carried out. However, per diem payments will not be paid beyond the maximum time stated in the insurance certificate or renewal receipt and not after three years have passed since the accident date.
- 10.3.2 A waiting period means the time period that must pass between the accident date and the date on which per diem payments begin under the provisions of the insurance certificate or renewal receipt. No per diem payments are made during that period.
- 10.3.3 The Company decides on per diem payments on the basis of a physician's certificate and other documentation on record.
- 10.3.4 If the loss of work capacity by the insured is partly the result of factors other than the accident, the per diem payments will be reduced in proportion to the contribution of such factors to the loss of work capacity.
- 10.3.5 VÍS will not compensate temporary loss of work capability that is less than 50% of normal work capability.
- 10.4 Compensation for broken teeth.
- 10.4.1 The Company pays for repairs to healthy and well-repaired teeth that are broken or damaged in an accident.
- 10.4.2 Payment by the Company is limited to 6,5% of the amount of insurance coverage for disability for each accident, and total payments on account of accidents in each insurance period are limited to 10% of the same amount.
- 10.4.3. However, the Company does not compensate for teeth broken in a work-related accident, cf. the Social Security Act, or teeth that are broken while the insured is eating.
- 10.5 VÍS may have a physician of its choice examine the insured.

- 10.6 The Company, having obtained the approval of the insured, may gather information about the insured's previous health.
- 10.7 The cost of necessary medical certificates in connection with an insurance event when such certificates are obtained at the request of VÍS.

## **C. International travel health and travel interruption insurance**

The insurance is included if it is specified in the insurance policy or the renewal certificate.

### **11. Applicability of the insurance policy**

The insurance applies during leisure time when travelling abroad at the locations specified in the insurance policy or the renewal certificate.

- 11.2 During work when travelling abroad if this involves business meetings, conferences or theoretical courses.

### **12. Scope of coverage**

If the insured sustains an accident, becomes ill or dies while travelling abroad, the insurance contract will pay compensation for:

- 12.1 Medical expenses.
- 12.1.1 Hospitalisation abroad, including medical assistance, medicinal products and other services provided by the hospital. The stay and treatment must be ordered by a physician, and the payment shall be based on a general hospital in the country in question.
- 12.1.2 Medical assistance and medicinal products recommended by a physician.
- 12.1.3 Pain-relieving dental repair in an emergency. The maximum compensation for dental repair is 1% of the maximum amount of insurance cover for medical expenses.
- 12.2 Extra costs.
- 12.2.1 Extra expenses for special hotel accommodation when the physician is of the opinion that treatment can take place in a hotel. These expenses include, e.g. nursing costs and medically recommended diet. The maximum compensation for such cost is 1% of the maximum amount of insurance cover for medical expenses per each 24-hour period.
- 12.2.2 Extra expenses for the return trip, or travel to return to a predetermined travel schedule due

- to delays caused by the hospitalisation of the insured at the recommendation of a physician, including the travel expenses of a companion, if the physician thinks such travelling companion is necessary.
- 12.2.3 Additional travel expenses and accommodation costs of a travel companion, when the insured is injured, becomes seriously ill or dies during his travel, if such relative is accompanying the insured or is summoned to the location of the insured, in consultation with the VÍS consulting physician. The maximum compensation for these costs is 10% of the maximum amount of insurance cover for medical expenses.
- 12.3 Patient transport.
- If the physician who has attended the insured because of illness or accident during travel is of the opinion that travel back home is necessary and that normal means of travel are adequate, his written confirmation will suffice for VÍS. In such cases, extra expenses for the travel home, such as an extra seat, more expensive seat, etc. will be paid. If the illness or accident is so serious that the physician is of the opinion that the insured must be transported home in another manner, a written confirmation by the VÍS consulting physician responsible for such transport will be needed.
- 12.4 Transport of the deceased.
- In the event of the death of the insured during his travel, VÍS will pay for the transportation of the deceased as well as the additional cost for his travel companion and costs resulting from mandatory arrangements that have to be made.
- 12.5 Expenses in connection with a holiday trip.
- 12.5.1 If a holiday trip is cut short due to the instruction of a physician before the trip has reached its half point or if the insured has stayed in a hospital for at least half the travel period, VÍS pays the cost of the patient's trip. If a trip is cut short without the above conditions being met, VÍS pays neither for the unused part of the travel expenses nor for a new trip overseas to replace the trip which was abandoned.
- 12.5.2 The maximum compensation for reimbursement of a holiday trip is 10% of the maximum amount of insurance coverage for medical expenses.
- 12.6 Expenses in connection with travel abandonment.
- 12.6.1 The necessary additional expenses of returning to Iceland if the insured is forced to abandon his overseas stay due to:
- 12.6.1.1 Death, serious accident or a sudden and serious illness of a spouse, children, grandchildren, parents, grandfather, grandmother, parents-in-law, children-in-law or siblings of the person insured.
- 12.6.1.2 Substantial property damage to the insured's home or private business which necessitates the presence of the insured. VÍS must be consulted as to whether it is necessary to return home.
- 12.6.2 The maximum compensation for travel abandonment is 4% of the maximum amount of insurance coverage for medical expenses.
- VÍS does not pay compensation for:**
- 12.7 Diseases occurring during the ninth (9) month of pregnancy, during childbirth or abortion.
- 12.8 Chronic diseases and accidents for which the insured has received medical assistance or treatment during the past twelve (12) months.
- 12.9 Medication that the insured has been using on a regular basis before the trip commenced.
- 12.10 Continuing medical treatment, if the insured refuses to be transported back home despite the recommendation of the physician attending him and the recommendation of VÍS' consulting physician.
- 12.11 Medical treatment overseas for more than three months.
- 12.12 Medical products without medical advice, prosthetic limbs and false teeth, spectacles, eye lenses, hearing aids and other comparable aids.
- 12.13 During participation in competitions or during training sessions in preparation for competitions in any sport if the insured has reached the age of 16 years. Sports refers to individual- and team sports which are trained for regularly under coach supervision connected to a club or an organization which focus on sports competition.

Those restrictions do not apply for public participation in competition or preparation for golf, road cycling, triathlon, cross country- or street running.

**The insurance also covers:**

- 12.14 In fighting, wrestling or self-defence sports where the object of the sport in question is to hit, punch or kick the opponent or to tackle the opponent in any other manner. This exemption, however, does not apply to children below the age of 16.
- 12.15 In driving sports. This exemption, however, does not apply to children below the age of 16.
- 12.16 During cliff rappelling and cliff, mountain and ice climbing.
- 12.17 When mountain hiking of any sort higher than 4,000m above sea level.
- 12.18 When scuba diving with an oxygen tank and during free-diving (without oxygen) to a depth greater than 10 m.
- Risks according to Section 12.13 to 12.18 can be insured separately.
- 12.19 During hot-air ballooning and glider, kite, hang-gliding, ultralight aircraft flights and other comparable activities.
- 12.20 In bungee jumping, sky-diving and base jumping and other comparable activities.
- 12.21 That occur during flying, unless the insured is a passenger on a scheduled or chartered flight operated by a party having the requisite aviation authority permits.
- 12.22 Accidents occurring in fist-fights or when participating in the commitment of a criminal act.
- 12.23 Accidents or illness caused by indoor tanning, medical treatment, surgical procedures or use of medicinal products, unless the treatment is undertaken on the advice of a physician due to a recoverable accident and carried out within a recognised health facility.
- 12.24 Accidents or illness caused by toxic gases, unless the poisoning occurred without warning and without the will of the insured.
- 12.25 Accidents or illness caused directly or indirectly by terrorism of every kind, whether it is caused by biological or chemical effects and/or poisoning, including bacteria and viruses, or when the consequences of an accident are increased because of the aforementioned.
- 12.26 Due to an illness caused by alcoholism or substance addiction.
- 12.27 Due to use of painkilling drugs or barbiturates.
- 12.28 The Company may have a consulting physician examine the insured.
- 12.29 The Company, having obtained the approval of the insured, may gather information about the insured's previous health.
- 13. Insurance amount**
- 13.1 The maximum amounts of insurance coverage are stated in the insurance policy or the renewal certificate.
- 13.2 Amounts of insurance coverage are adjusted in accordance with the consumer price index.
- 14. Deductible**
- 14.1 In every event of loss or damage, there is a deductible which is specified in the insurance policy or in the renewal receipt.
- 14.2 The amount of the deductible is adjusted in accordance with the consumer price index.
- 15. Determination of compensation**
- 15.1 VÍS pays compensation in accordance with the original copy of the invoice.
- 15.2 The insured shall submit the necessary documents for a claim for compensation, e.g. medical certificate, travel ticket and receipt for the payment of travel expenses.
- 15.3 The insured shall not profit from the insurance event. The insurance policy shall only compensate the actual loss or damage of the insured.
- 16. Multiple insurance**
- 16.1 If the same loss or damage is covered by more than one insurance contract, the insured may choose which insurance contract he wishes to apply until he has received the compensation to which he is entitled.
- 16.2 If more than one insurance company is liable to pay compensation in accordance with Article 16.1, the companies shall pay compensation proportionally, in accordance with each company's liability to pay compensation, unless otherwise agreed.
- D. International luggage insurance**
- The insurance is included if it is specified in the insurance policy or the renewal certificate.

## 17. Insured interests

- 17.1 The insurance contract covers personal effects in the possession of the insured when travelling.
- 17.2 The insurance contract does not cover cash, travel tickets, traveller's checks, cheques, bonds or other securities, manuscripts and stamps.

## 18. Applicability of the insurance policy

The insurance applies during travel overseas in the locations specified in the insurance policy or the renewal certificate.

## 19. Scope of coverage

The insurance contract compensates loss of or damage to the insured luggage:

- 19.1 Caused by fire.
- 19.2 Due to theft from residences, cars, caravans and boats.
- 19.3 Caused by robbery.
- 19.4 Caused by transport accidents.
- 19.5 If the luggage is totally lost during transport.
- 19.6 Caused by vandalism.

**The insurance contract does not compensate:**

- 19.7 Loss or damage of fragile or delicate items such as radios, audio equipment, televisions, video players, DVD players, recording equipment, cameras, spectacles, ceramics and items made of glass, unless the loss or damage is caused by fire or theft, because of an accident to the means of transport or because of a collision between vehicles and the loss or damage cannot be compensated according to law under the liability insurance for these items.
- 19.8 Damage to suitcases and other protective bags.
- 19.9 Loss or damage to property because of scratches, dents or mashes if this does not impair their utility.
- 19.10 Loss or damage to items if they are torn or damaged by use, e.g. clothing, skis and other sports equipment.

- 19.11 Loss or damage that is caused by normal wear and tear or defect, or damage caused by harmful bugs, e.g. moths.
- 19.12 Internal damage, such as mechanical breakdowns, short circuits and other damage to electrical systems.
- 19.13 Loss or damage because of confiscation, the freezing of assets and similar actions by government entities.

## 20. Precautionary principles

- 20.1 The insured must close windows and latch them and must lock dwellings, motor vehicles, boats and caravans.
- 20.2 The insured shall not leave the insured effects unattended in public and shall ensure that he brings the insured effects along when leaving a public place.
- 20.3 The insured shall ensure that the insured property is packaged in appropriate and sufficient packaging so that it can withstand the transport.

## 21. Violations of the precautionary principles

Complying with the precautionary principles herein is mandatory. In the event of non-compliance with the precautionary principles, the Company may be absolved of its liability, wholly or in part, cf. Article 26 of Act No. 30/2004 on Insurance Contracts.

## 22. Identification

In determining its liability, the company reserves the right to take into account the conduct of the insured's spouse or registered domestic partner, as provided for in Article 29 of Act No. 30/2004 on Insurance Contracts.

## 23. Insurance amount

- 23.1 The amount of insurance coverage is indicated in the insurance policy or in the renewal receipt.
- 23.2 The maximum amount of insurance coverage for each individual item, pair or set of luggage is listed in the insurance policy or the renewal receipt, and the liability is limited to that amount less the deductible.
- 23.3 The amount of the insurance coverage does not provide proof of the value of the insured interests.

- 23.4 The amount of the insurance coverage is adjusted in accordance with the consumer price index.
- 23.5 Watches and jewellery will be compensated by to up to 20% of the amount of the luggage coverage for each event of loss.
- 24. Deductible**
- 24.1 The insured carries own risk in every instance of damage as provided for in the insurance policy or the renewal receipt.
- 24.2 The amount of the deductible is adjusted in accordance with the consumer price index excluding the housing component.
- 25. Underinsurance**
- If the value of the luggage is greater than the amount of insurance coverage specifies, then compensation shall be paid proportionally.
- 26. Notification of loss or damage to airlines**
- In the event that luggage is damaged or lost during flight or while luggage is in the custody of an airline, the injured party is under obligation to notify the damage/loss immediately on landing or within 7 days to the airline service desk by means of the appropriate form (P.I.R. form). The claimant shall submit a copy of the form, including receipts stating whether and if so, how much the airline company has paid to VÍS when notice of the loss or damage was filed.
- 27. Determination of compensation**
- 27.1 Compensation shall be based on the value of a new item comparable to the damaged item on the date when the damage occurred. The Company is authorised to reduce the compensation by an amount corresponding to the reduction in value due to age, use or other factors that may affect the value of the item in question.
- 27.2 VÍS may either pay the estimated cost of repair or get the damaged item repaired and then pay the repair cost if the item can be restored to its pre-damaged condition and it is worth the effort in the opinion of VÍS.
- 27.3 VÍS may pay compensation in cash or procure a similar item to that which was lost or damaged, taking into account the reduction in value under Section 26.1, if the damage to the item is such that repairing it is not feasible, or it is not worth the effort in the opinion of VÍS. In the event that the Company has paid compensation under this Article, the Company reserves the right to recover the item that was damaged.
- 27.4 VÍS has the right to pay the difference between the value of the item that was damaged as the value stood prior to the insurance event and the value after the insurance event.
- 27.5 Compensation for damaged sound or video tapes is limited to the cost of new, unexposed CDs, films or video tapes, taking into account reasonable depreciation. However, compensation will be paid for published sound or video tape productions based on the purchasing price, taking into account reasonable depreciation.
- 27.6 Computer data and software are not covered.
- 27.7 Sentimental value will not be compensated.
- 27.8 The insured shall not profit from an insurance event. The insurance policy shall only compensate the actual loss or damage of the insured.
- 27.9 Stolen items that are recovered after VÍS has compensated the loss or damage are the property of VÍS and shall be returned to VÍS. The insured may nevertheless keep the items if he wishes by paying back the compensation.
- 28. Multiple insurance**
- 28.1 If the same loss or damage is covered by more than one insurance contract, the insured may choose which insurance contract he wishes to apply until he has received the compensation to which he is entitled.
- 28.2 If more than one insurance company is liable to pay compensation in accordance with Article 27.1, the companies shall pay compensation proportionally, in accordance with each company's liability to pay compensation, unless otherwise agreed.
- These insurance terms take effect on 25. July 2018