



# General Terms and Conditions

Insurance terms No. YY10

Effective as of 15 January 2019.

These general terms apply to all insurance of the company if not otherwise provided for in the individual provisions of other terms.

The provisions stated in the insurance policy or in the renewal receipt supersede the provisions of the insurance terms. The provisions in the insurance policy, the renewal certificate and the terms supersede the provisions of law that may be deviated from.

This is a translation of the authoritative Icelandic text. In the event of any discrepancies between the translation and the original Icelandic text, the original text shall prevail.

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## **1. Information duty upon entry into and renewal of an insurance contract**

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### **1.1 Non-life insurance**

- 1.1.1 The policyholder or the insured, as the case may be, shall provide the company with the information it requires about circumstances that may affect its risk assessment, cf. Article 19 of Act No. 30/2004 on Insurance Contracts. Additionally, he should initiate the provision of information to the company about special circumstances he knows or should know that are of considerable importance for the company's risk assessment.
- 1.1.2 If it becomes clear to the policyholder or the insured that he has provided incorrect or unsatisfactory information about the risk, he shall inform the company accordingly without undue delay.
- 1.1.3 The company is not liable if the policyholder or the insured has fraudulently neglected his information duty and if an insurance incident occurs.
- 1.1.4 If the policyholder or the insured has neglected his information duty to such an extent that it is not deemed to be insignificant, the company's liability may become void in full or in part, cf. Article 20, paragraphs 2 and 3, of Act No. 30/2004 on Insurance Contracts.

### **1.2 Personal insurance**

- 1.2.1 When entering into an insurance contract, the policyholder or the insured, as the case may be, shall provide the company with the information it requests and is of importance for its risk assessment; cf. Article 82 of Act No. 30/2004 on Insurance Contracts. Additionally, he should initiate the provision of information to the company about special circumstances he knows or should know that are of considerable importance for the company's risk assessment.
- 1.2.2 When renewing the insurance contract, the policyholder or the insured, as the case may be, shall provide the company with new information about his health if it requests such information in writing, cf. Article 79, paragraph 3, of Act No. 30/2004 on Insurance Contracts.
- 1.2.3 The company is not liable if the policyholder or the insured has fraudulently neglected his information duty and if an insurance incident takes place.

- 1.2.4 If the policyholder or the insured has neglected his information duty to an extent that is not deemed to be insignificant, the company's liability may become void in full or in part, cf. Article 83, paragraphs 2 and 3, of Act No. 30/2004 on Insurance Contracts.

## **2. Beginning and end of coverage**

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- 2.1 The insurance enters into force when the company has agreed to the insurance request, unless otherwise provided for by law or an agreement is reached on the insurance taking effect at a later date.
- 2.2 If the company's liability is to begin on a certain date without this being further specified, the liability begins at 00:00 hours on this day.
- 2.3 The insurance is in effect until 24:00 hours on the date stipulated as being the last day in the insurance policy or the renewal receipt or on the day the insurance ends if this is before the originally determined last day, unless otherwise agreed.

## **3. Renewal and cancellation upon renewal**

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- 3.1 The insurance is renewed once annually, for one year at a time, unless otherwise agreed. Short-term insurance is not renewed. The same applies in instances where it is clearly stated in the terms that the insurance becomes void at a certain point in time.
- 3.2 If the policyholder wishes to cancel the insurance in connection with its renewal, this shall be done in writing within one month from the date the company sent a renewal notification, however not later than two weeks before the renewal date. When the insurance policy is taken out on account of the operation of a business and the extent of the business corresponds to more than five man-years or if the business is for the most part conducted overseas, the policyholder can only terminate the insurance on its date of renewal.
- 3.3 The company may refuse to renew insurance for certain reasons, cf. Articles 18 and 79 of Act No. 30/2004 on Insurance Contracts. The company shall notify the policyholder accordingly in writing not later than two months before the renewal date.
- 3.4 The insurance terms and the premiums may change upon renewal, in which instance the change enters into force as of the renewal date.

## **4. Cancellation during insurance period**

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- 4.1 The company may cancel the insurance unless otherwise provided for by law:
- 4.1.1 With 14 days' notice if incorrect or unsatisfactory information is provided on the insured risk, cf. Articles 21 and 84 of Act No. 30/2004 on Insurance Contracts.
- 4.1.2 Immediately if the policyholder has fraudulently neglected his information duty about the insured risk, cf. Articles 21 and 84 of Act No. 30/2004 on Insurance Contracts.
- 4.1.3 With one week's notice if the insured intentionally provides incorrect or unsatisfactory information that he knows or should know would result in him being paid compensation to which he does not have a right, cf. Articles 47 and 120 of Act No. 30/2004 on Insurance Contracts.
- 4.1.4 With two months' notice, following an insurance event, if the insured has intentionally caused an insurance event or if he has neglected his duties according to precautionary principles or has had three or more accidents during the last 12 months covered by this insurance contract or other contracts from the company, cf. Articles 15 or 76 of Act No. 30/2004 on Insurance Contracts.
- 4.1.5 With two months' notice, if the use of an insured item, the operation of the insured or the circumstances in other respects change during the insurance period to such an extent that the company would not have agreed to the insurance had such information been available at the beginning of the insurance period.
- 4.2 The company may cancel all the insurance contracts of the relevant party when the policyholder or the insured has fraudulently neglected his duty to inform about the insured risk and if the insured or another party intentionally provides incorrect or unsatisfactory information that he knows or should know would result in him being paid compensation to which he is not entitled..
- 4.3 During the insurance period, the policyholder may cancel the insurance contract that is automatically renewed if he no longer needs the insurance or if there exist other certain circumstances that justify cancellation, cf. the second paragraph of Article 14 and the third paragraph of Article 75 of Act No. 30/2004 on Insurance Contracts.
- 4.4 During the policy period, the policyholder may cancel the automatically renewed insurance contract in the event that he intends to transfer the insurance to another company, cf. Articles 14 and 75 of Act No. 30/2004 on Insurance Contracts. The

policyholder shall notify the company of the cancellation with one month's notice, and it will take effect at the beginning of the following month. The cancellation notification must indicate the insurance company to which the policyholder is transferring the insurance and the date on which it is to come into effect. Article 4.4 does not apply to group insurance or when the insurance policy is taken out on account of a business and the extent of the business corresponds to more than five man-years or if the business is for the most part conducted overseas.

## **5. Duties of the insured upon insurance incident**

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- 5.1 In the event of a risk of a potential insurance incident or if such an incident has occurred, the insured should do all in his power to prevent the loss or damage or limit it. If he for this reason suffers expenses, he may submit a claim to the company for reimbursement to the extent that the measures to limit or prevent damage are deemed as being special and justifiable, cf. Articles 28 and 38 of Act No. 30/2004 on Insurance Contracts.
- 5.2 If it should be clear to the insured that the company could have a right to a reclaim against a third person, he shall do all in his power and everything necessary to secure the claim until the company is able to protect its interests.
- 5.3 If loss or damage has occurred because the insured has neglected his duties due to intent or gross negligence, cf. this article, the company's liability may become void in full or in part.
- 5.4 The provisions of Article 5 apply only to non-life insurance.

## **6. Notification about insurance incident**

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- 6.1 The insured or any party believing he has a claim against the company shall without undue delay notify the company about the insurance incident. The same applies if the insured receives information or suspects that a claim for damages which the insurance may cover will be made against him.
- 6.2 Theft, burglary, robbery, sabotage or assault must always be reported to the police or to the nearest authority in the country in which the event took place, and such reports shall be submitted to the company. During travel abroad, the tour guide, if there is one, shall also be notified of the above events.
- 6.3 The insured, or any party who has the right to compensation due to non-life insurance, loses such right if he does not notify the company of his claim within one year from the date he knew about the circumstances upon which it is based.
- 6.4 The insured, or any party who has the right to compensation due to personal insurance, loses such right if he does not notify the company of his claim within one year from the date he knew about the circumstances upon which it is based and the company has not received notification of the incident in another manner.

## **7. Insured's duty to inform when settling indemnity payments**

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- 7.1 Upon the settlement of damages, the insured shall provide the company with information and present documents to which he has access and the company needs for assessing its liability and pay compensation.
- 7.2 If the insured, or the party who has a claim against the company, intentionally provides incorrect or unsatisfactory information he knows or should know would lead to him being paid compensation to which he is not entitled, all his rights according to this and other insurance contracts because of the particular insurance incident become void. In certain circumstances, however, the insured may have a right to compensation in part, cf. Article 47, paragraph 2, and Article 120, of Act No. 30/2004 on Insurance Contracts.

## **8. Intent**

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If an insurance event may be attributed to intent on the part of the insured, he has no claim against the company for compensation unless he was unable to realise the consequences of his conduct due to age or mental condition.

## **9. Gross negligence**

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- 9.1 If an insurance incident is attributable to gross negligence by the insured, then the company will be relieved of its liability in full or in part unless he was unable to comprehend the consequences of his conduct due to his age or mental condition. This also applies with respect to personal insurance if the consequences of an insurance incident are more extensive than they should be due to gross negligence by the insured.
- 9.2 When assessing the liability of the company, the fault of the insured must be taken into account with regard to how the insurance event occurred, whether the insured was under the influence of alcohol or narcotics which he voluntarily consumed and to other circumstances.

9.3 The provisions of Article 9 do not apply to third-party liability insurance.

## 10. Fraudulent conduct

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Anyone acting fraudulently towards the company loses all rights under the insurance contract. In the event of several insurance contracts, the insured may also lose his right to compensation under them in respect of the same insurance event, cf. Articles 20 and 47 of Act No. 30/2004 on Insurance Contracts, as well as Articles 83 and 120 of the Act.

## 11. Claim for compensation

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The insured, or the party entitled to compensation, may claim payment of compensation 14 days after the company has had the opportunity to obtain the necessary documentation in order to assess its liability and determine the amount of compensation, cf. Article 48 and 121 of Act No. 34/2004 on Insurance Contracts.

## 12. Value added tax

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If the insured or the injured has the right to reimbursement of value added tax, the company reserves the right to arrange the execution of repairs and/or the indemnity settlement in such a manner that the reimbursement of value added tax is deductible from the loss in conformity with applicable laws and regulations.

## 13. Balancing of debt

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The company is authorised to balance defaulted premium payments against the insurance compensation it is to pay, cf. Articles 49 and 122 of Act No. 30/2004 on Insurance Contracts.

## 14. Interest on compensation amount

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The insured has the right to interest in accordance with the provisions of Articles 50 and 123 of Act No. 30/2004 on Insurance Contracts.

## 15. Right to reimbursement

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In the instance of any of the insured having a claim for monetary compensation against a third party because of liable damage, the company receives this right insofar it has paid compensation.

## 16. Currency

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Any amounts pertaining to this insurance contract are in the Icelandic currency (ISK) unless otherwise derived from law or especially negotiated.

## 17. Deadline for seeking solution

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If the company rejects in full or in part a claim by the insured or the party who has the right to compensation, he loses his right to compensation if he has not initiated proceedings or demanded case procedure by the Insurance Complaints Committee within one year after receiving a notification about the rejection of his claim, cf. Articles 51 and 124 of Act No. 30/2004 on Insurance Contracts.

## 18. Dispute resolution

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- 18.1 Disputes over the company's liability, including fault and the division of fault relating to the mandatory liability insurance for cars, may be brought before the Insurance Companies Claims Committee.
- 18.2 Rulings by the Insurance Companies Claims Committee may be appealed to the Insurance Complaints Committee. Other disputes may also be presented to the Insurance Ruling Committee, cf. Act No. 30/2004 on Insurance Contracts.
- 18.3 The rulings of the Insurance Complaints Committee may be brought before courts of law.

## 19. Protection of personal privacy and processing of personal data

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The company places great importance on security in the processing of personal data. The employees of the company are required to maintain professional secrecy and confidentiality as regards any processing of personal data, and all the company's processing of personal data is carried out in accordance with Act No. 90/2018 on the Protection of Personal Privacy and Processing of Personal Data and the rules established thereunder. Further information on the processing of personal information may be found in the rules that the company has established for itself on the website of the company, [vis.is](#) (in Icelandic only), including as regards what personal information the company collects, for what purpose and on the basis of what authorisations, how long the information is kept and what rights customers have as regards the company's processing of such information.

## 20. Claims Database

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- 20.1 Claims Database is the shared database of non-life insurance undertakings in Iceland. The database is operated by Creditinfo, as an independent entity, according to authorisations granted by the Icelandic Data Protection Authority for the purpose of preventing insurance fraud and overpayment of insurance compensation. The insurance undertakings are each responsible for the information that they enter into the Claims Database, while Creditinfo is the controller, cf. Act No. 90/2018 on Data Protection and the Processing of Personal Data.
- 20.2 All losses or damages that are notified to the company are recorded in the Claims Database.
- 20.3 The following information may be recorded in the Claims Database:
- Name of insurance company.
  - ID No. of the injured party.
  - Case No. at the company.
  - Type of insurance.
  - Type of loss or damage.
  - Date of loss or damage.
  - Date of registration in the Claims Database.
  - Location of loss or damage.
  - Unique number of the insured item, e.g. vehicle number.
- 20.4 Information on individual health issues in connection with physical injury may not be recorded in the Claims Database.
- 20.5 Access to the Claims Database is limited to the employees that record instances of loss or damage and are involved in claims settlements.
- 20.6 The information contained in the Claims Database may not be used for marketing and/or business purposes.
- 20.7 Information contained in the Claims Database is deleted when no longer needed, at the very latest 10 years from the date of recording the information.

## 21. Venue

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The company's domicile and venue are in Reykjavík. Matters that may arise over this insurance shall be brought before the District Court of Reykjavík unless otherwise derived from international treaties by which Iceland is bound.

## 22. Legislation

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Act No. 30/2004 on Insurance Contracts applies to this insurance.

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### For information purposes

#### Náttúruhamfaratrygging Íslands (Iceland Natural Disaster Insurance)

The fire insurance of real estate and personal effects automatically establishes insurance protection with the Iceland Natural Disaster Insurance; cf. Act No. 55/1992.

The Natural Disaster Insurance covers loss or damage caused by volcanic eruptions, earthquakes, landslides, snow avalanches and flooding, cf. Article 4 of that Act.