

Different forms of protection can be selected under Property insurance. Fire insurance is always included in the insurance policy. Optional insurance includes water and weather damage insurance and burglary insurance. The terms and conditions are divided into the following sections:

[Section 1: Scope of cover, page 1.](#)

[Section 2: Fire insurance, page 2.](#)

[Section 3: Water and weather damage insurance \(optional\), page 3.](#)

[Section 4: Burglary insurance \(optional\), page 4.](#)

[Section 5: General provisions, page 4.](#)

The policyholder is the **insured**. The insurance is not for the benefit of other parties such as lienholders or a new owner of the insured interest. In the event of a change in the ownership of the insured property, however, the insurance shall remain in effect for the new owner for 14 days from the change in ownership, as provided for in Article 40 of Act No. 30/2004.

SECTION 1 SCOPE OF COVER

Article 1. Where does the insurance apply?

Unless otherwise specified, the insurance applies only to loss or damage occurring at the location specified in the insurance certificate.

Article 2. What does the policy cover?

Moveable property owned by the insured. Unless otherwise stated in the insurance certificate, the term moveable property shall mean the following: Goods, including raw materials, semi- and fully processed goods; packaging, household goods, fixtures, machinery and other operational equipment, including tools, appliances and motor vehicles that are not subject to registration according to traffic legislation.

Computer programs, accounting data, technical drawings, models and similar items that are renewed or reclaimed following an insurance incident, provided that these have been specifically insured. The Company's compensation obligation is limited to 15% of the insurance amount at each insurance location, to a maximum of ISK 1,000,000 (index-linked as provided for in Article 16).

Cash, cash equivalents, securities, manuscripts and documents, stored at the insurance location, provided that these have been insured specifically. The Company's compensation obligation (see, however, the provisions on burglary in Article 10.3 in the burglary insurance) is limited to ISK 500,000 (index-linked according to Article 16). These items are to be stored in a locked safe, and the Company's liability depends on this being the case.

Exclusions

Theft from a safe that has been opened with a key or combination left at the insurance location. Fire loss or damage that is covered by mandatory fire insurance for the property.

Moveable property according to these insurance terms does not include motorised vehicles subject to registration, ships, boats or aircraft, unless these are being manufactured, repaired or are being sold by the insured, provided that this is stated in the insurance application.

Article 3. Property owned by a third party

In the event that the insured is liable for damages to property that is in his custody and is owned by a third party, the insurance will also cover such property, provided such circumstance have been disclosed in the insurance application.

Article 4. Underinsurance

The insurance amount must be in accordance with the value of the insured interests. If the insurance amount is less than the value of the insured interests, the liability of the Company is only proportionate according to the difference between the insurance amount and the value of the insured interests.

Article 5. Loss or damage due to business interruption

The insurance does not cover operational losses or other indirect losses.

Article 6. Insurance value – Settlement of loss

The insurance value must be the total value of all the property covered by the insurance.

The insurance value of general household effects, machinery and other operating equipment is based on their value as new, i.e. the amount that would have been needed to purchase the items that were destroyed or damaged at the most recent price of such items before the loss or damage occurred, without any deduction due to age and use but with reasonable deduction for depreciation on account of reduced utility or for other similar reasons. The Company is entitled to redeem damaged articles by paying an amount equivalent to their value immediately before the loss (goods in stock, machinery and other equipment are, however, indemnified by replacement value). The Company, moreover, has the right to indemnify the loss by providing an identical article as well as by restoring articles to the condition in which they were immediately before the loss. The insurance value of articles which the insured himself has manufactured for sale shall be determined in accordance with the sales price immediately before the loss, based on sale with usual conditions, but deducting normal sale costs plus the risk of sale which thus was avoided as well as the advantage of cash payment. Even if otherwise negotiated, the Company is not under obligation pay indemnity in excess of that needed to compensate for the loss incurred. The insurance value of articles being manufactured by the insured for sale at a later time shall be determined in accordance with the cost of manufacture plus part of general costs. In other respects, account shall be taken, as far as applicable, of the sales price immediately before the loss occurrence based on sale on normal terms, but deducting normal sale costs plus the risk of sale which was thus avoided as well as the advantage of cash payment. Even if otherwise negotiated, the Company is not under obligation pay indemnity in excess of that needed to compensate for the loss incurred. The sum insured for articles other than those already mentioned shall be determined in accordance with the amount needed for purchasing the lost or damaged article at the price level immediately before the loss, with a reasonable deduction for age, usage, decreased utility or for other reasons.

Article 7. Special conditions for stores (applicable on request only)

During the period from 15 November to 15 January, the sum insured for fire, burglary and water damage insurance shall be 20% higher than during other insurance periods.

SECTION 2 FIRE INSURANCE

Article 8. What does the policy cover?

Insured property when the loss or damage is due to the causes described below, with, however, the exceptions specified.

8.1. Flames, lightning, explosion

Fire is by definition a combustion able to spread of its own accord.

Lightning is by definition thermal and impact forces released from atmospheric electricity.

Explosion is by definition a sudden chemical reaction resulting in violent rise in temperature and expansion.

Exclusions

Damage not involving fire and involving only scorching, overheating or melting of articles.

Damage to articles intentionally exposed to fire or heating, drying, boiling, melting or other similar actions.

Damage to electrical or electronic appliances or machinery through short-circuit or other clear-cut electrical phenomena, unless the event results in or is a direct result of a fire.

8.2. Boiler explosion

The Company compensates for damage to a boiler or high-pressure boiler system due to overpressure resulting from conventional use of the device.

Exclusions

Damages due to dry boiling.

8.3. Aircraft

The insurance compensates for loss or damage caused by aircraft and objects that fall from them.

Exclusions

Damages caused by explosives carried by aircraft.

8.4. Soot

The Company will compensate for damage caused by sudden falling of soot from a fireplace used for heating, provided that such fireplace conforms to prevailing laws and regulations.

8.5. Firefighting

The insurance contract compensates loss or damage attributable to firefighting efforts.

SECTION 3 WATER AND WEATHER DAMAGE

This insurance is a separate insurance that can be purchased as an addition to the fire insurance policy for an extra fee.

Article 9. What does the policy cover?

Insured property when the loss or damage is due to the causes described below, with, however, the exceptions specified.

9.1. Leaks from water pipes

The Company compensates for damages caused by sudden and unforeseen leakage from cold or hot water pipes as well as from drainage systems. The same applies to water leaking from equipment permanently affixed to such pipe systems, such as toilet bowls, wash basins, sinks, bathtubs, washing machines or dish washers.

Precautionary principles

The liability of the Company is subject to the insured and persons in his employment observing the following precautionary principles:

1. The inflow of water must be closed off in unheated buildings and water emptied from attached equipment when there is a risk of freezing temperatures.
2. Radiators may not be shut off when temperatures are below the freezing point so as to prevent the risk of water freezing in them.
3. Only qualified professionals are responsible for thawing water in pipes that have frozen.
4. The pipes and equipment mentioned in the first paragraph of Article 9.1 are properly maintained.

Exclusions

Damages due to prolonged dampness or water leakage.

Damages caused by water from balconies, gutters or drainage pipes connected to them.

Damages caused by ground water or sewage (cf. however Articles 9.1 and 9.2).

Damages resulting from construction or repair work for which a third party is liable.

Damages to goods stored in basements unless stacked on pallets made of non-absorbing material that is at least 10 cm thick.

9.2. Cloud-bursts and sudden thaws

The Company will pay compensation for damages caused by water due to unusually severe cloud-bursts or sudden thaws resulting in drain pipes being unable to cope with the volume and which causes the water to flow into the property of the insured or in cases where drainage overflows due to reverse pressure.

Exclusions

Damages to property stored in open sheds or shelters, greenhouses or buildings excluded in the second paragraph of Article 10.1 of the Burglary insurance section. Damages resulting from groundwater, floods from the ocean, lakes, rivers or streams.

Damage due to rainwater seeping through roof or walls unless occurring for reasons mentioned in Article 9.3 (weather damage). Damages to goods stored in basements unless stacked on pallets made of non-absorbing material that is at least 10 cm thick.

9.3. Weather damage

The Company indemnifies for loss due to storms. Storm in this context means a violent storm, i.e. with wind speeds reaching 28.5 m/s and which has lasted for at least 10 minutes according to the measurements of the Icelandic Met Office (Veðurstofa Íslands). In the absence of reliable information about the wind speed at the site of the damage, the guideline when determining liability shall be whether general damage to property occurred in the area due to the weather conditions when the damage incident took place.

Compensation will be paid for all damages to insured valuables directly caused by violent storms, including those caused by precipitation that falls during the storm or immediately following the storm. The liability of the Company, however, is subject to visible damage having occurred to buildings and that the damage to the insured property can be traced to that damage

Exclusions

Damages to property stored in open sheds or shelters, greenhouses or buildings under construction or storages clad with cardboard, polyurethane sheeting or the like. Loss or damage covered by the Iceland Catastrophe Insurance (Viðlagatrygging Íslands).

9.4. Oil and refrigerants

The Company will indemnify damages caused by oil or refrigerants that flow suddenly and unexpectedly from oil storage tanks, oil furnaces, refrigerators or refrigeration systems.

Exclusions

Damage resulting from gradual leakage or seepage.

Damage to goods stored in freezers and cold-stores. However, damage to goods so stored in retail stores is covered if refrigerants flow onto them suddenly and unexpectedly.

Damage resulting from replenishment of oil or refrigerants.

Loss of oil or refrigerants.

SECTION 4 BURGLARY INSURANCE

This insurance is a separate insurance that can be purchased as an addition to the fire insurance policy for an extra fee.

Article 10. What does the policy cover?

Insured property when the loss or damage is due to the causes described below, with, however, the exceptions specified.

10.1. Burglary

Burglary is by definition the entry of a burglar into the insured location by opening a door with a stolen key or by other abnormal means or having entered through openings not intended for access. The insurance location is the location specified in the insurance policy.

The insurance covers property kept at the insurance location. Compensation is not paid for property stored outdoors, in open sheds or shelters, buildings under construction or storages clad with cardboard, polyurethane sheeting or the like.

The insurance also indemnifies for sabotage inflicted upon insured property provided that such damage has occurred in connection with a burglary or robbery.

Precautionary principles

Doorways, windows and other openings into the insured site where the insured property is kept must be securely locked and the keys stored so that unauthorised entities do not have access to them.

10.2. Damage to buildings

The insurance indemnifies for damage to the building as a result of burglary or attempted burglary. Damages to mailboxes are not compensated. The Company's compensation obligation is limited to 10% of the insurance amount at each insurance location.

The insurance does not cover glass damage unless specifically provided for in the insurance policy.

10.3. Robbery

Robbery is considered to have occurred when the insured articles are taken by violence or the threat of imminent violence.

The insurance covers the robbery of insured property from the insured or his employees at the insured location or during transportation within Iceland.

Exclusions

Theft committed with the participation of the insured's employee.

10.4. Thefts from display cabinets and vending machines

The Company pays compensation for thefts from locked display cabinets or showcases at the insured location. The Company's maximum compensation obligation is ISK 70,000 (index-linked according to Article 16 of the general provisions).

Precautionary principles

Display cabinets, showcases and vending machines must be securely locked and the keys stored so that unauthorised persons do not have access to them.

Exclusions

Vandalism to outdoor vending machines or theft from such machines.

Glass damage unless specifically provided for in the insurance policy.

10.5. Notification of loss or damage

In the event of theft and robbery, it is a condition for the Company's liability that the Company and the police be immediately advised of the event.

SECTION 5 GENERAL PROVISIONS

Article 11. Validity – Renewal – Cancellation rights

Validity period

Unless otherwise determined by law or contract, the insurance shall enter into effect on the date on which the insurance contract is made, i.e. when the Company or the insurance applicant has accepted the offer of the

counterparty. The policy shall remain in effect during the period specified in the insurance policy or the premium receipt.

Renewal and cancellation

Insurance that is valid for one year, or longer, is renewed for one year at a time, unless the policyholder has notified the Company that he wishes to cancel the insurance contract. The policyholder may cancel the insurance contract in writing with one month's notice at any time during the insurance period, in which case the termination will take effect at the beginning of the following month. In the event that the termination is to take effect on the date of the renewal of the insurance contract, the notification of termination must be delivered to the Company not later than two weeks before the end of the insurance period. The policyholder may cancel the insurance contract during the insurance period if he no longer needs the insurance or if there are other special circumstances that justify cancellation, cf. the second paragraph of Article 14 or the third paragraph of Article 75 of Act No. 30/2004.

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. Termination in such case must be notified to the Company at least one month before the expiry of the insurance period.

If the Company does not intend to extend the insurance, the Company must notify the policyholder to such effect not later than two months before the insurance term expires. The Company may amend the insurance terms and the insurance policy's premium. Such amendments take effect as of the next renewal of the insurance policy after notification of the amendments has been sent.

Cancellation rights during the effective term of the insurance policy

The Company may cancel the insurance:

1. With 14 days' notice if incorrect or unsatisfactory information is provided about the risk, as provided for in Articles 21 and 15 or Articles 84 and 76 of Act No. 30/2004.
2. Without notice if the policyholder has acted fraudulently when providing the Company with information about the risk, as provided for in Articles 21 and 15 or Articles 84 and 76 of Act No. 30/2004. In addition, the Company may in such cases cancel all its insurance contracts with the insured.
3. With 7 days' notice if the policyholder intentionally provides incorrect or unsatisfactory information on the settlement of insurance compensation, as provided for in Articles 47 and 15 or Articles 120 and 76 of Act No. 30/2004. In addition, the Company may in such cases cancel all its insurance contracts with the insured.
4. After loss or damage has occurred, if
 - a. the insured caused the loss or damage intentionally
 - b. the insured violated precautionary principles
 - c. the number of losses or damage over a short period is greater than could be expected, e.g. three losses or damages during 12 months

The notice period for cancellation in such cases is two months, as provided for in the first and second paragraph of Article 15 or the second and third paragraph of Article 76 of Act No. 30/2004.

5. If the use of the insured or the policyholder's operation changes during the term of the insurance to such an extent that:
 - a. the Company would not have undertaken to provide insurance if the new circumstances had been known when the insurance was purchased
 - b. it has an effect on the Company's ability to re-insure the risk

The notice period for cancellation in such cases is two months, as provided for in the first and second paragraph of Article 15 or the second and third paragraph of Article 76 of Act No. 30/2004.

6. On repeated defaults of premium payments. The notice period for cancellation in such cases is two months, as provided for in the first and second paragraph of Article 15 or the second and third paragraph of Article 76 of Act No. 30/2004.

7. In the event of a serious breach of faith between the Company and the insured.

The notice period for cancellation in such cases is two months, as provided for in the first and second paragraph of Article 15 or the second and third paragraph of Article 76 of Act No. 30/2004.

Article 12. Notification obligation

The insured must personally ensure that the amount of insurance coverage is always in accordance with the value of the insured property, and he must immediately notify the Company as regards any necessary changes in this respect.

Article 13. Settlement rule with respect to tax deduction or VAT refunds

In the event that the insured can use costs due to loss or damage for tax deduction or entitlement to repayment of VAT due to repairs to the insured interest in the aftermath of loss or damage, the compensation amount shall be reduced by a corresponding amount.

Article 14. Breach of duty to inform – Fraud and false information

Information concerning the risk

If the policyholder or the insured has fraudulently neglected the obligation to report circumstances that may be important for the Company to assess its risk, the Company shall not be liable for any subsequent insurance event under this policy, as provided for in the first paragraph of Article 20 of Act No. 30/2004. In the event that the policyholder or the insured has otherwise neglected the obligation to report information to such a degree that such failure cannot be considered insignificant, the Company's liability shall be cancelled in whole or in part, as provided for in the second paragraph of Article 20 of Act No. 30/2004.

Information provided for the settlement of insurance benefits

If the insured intentionally provides false or insufficient information when settling an insurance claim, he shall forfeit any right pursuant to this present and other existing insurance contracts relevant to the insurance event in question, as provided for in the second paragraph of Article 47 of Act No. 30/2004. In such an event, the Company may terminate all its insurance contracts with the insured with one week's notice.

Article 15. The premium – Due date – Defaults – Settlement on the cancellation of the contract during the effective term of the insurance

The insured must pay a premium to the Company. The due date for the first premium falls on the date that the insurance contract enters into effect. Due dates for subsequent premiums fall on the first day of each renewal period. The payment deadline shall be a minimum of one month from the date that the Company sent notification for payment. The request for payment of premiums will be sent to the policyholder at the address he has provided to the Company. The delivery of a notification or payment note constitutes a request for payment. Changes of address shall be immediately notified to the Company. If the premium remains unpaid at the end of the grace period, the Company may send a new notification requiring payment within 14 days. If the payment has not been effected within 14 days from this notification, the insurance will be immediately cancelled, as provided for in Article 33 of Act No. 30/2004. In the event that an insurance contract valid for one year or longer is cancelled during the insurance term, the Company is entitled to payment in proportion to the period in which the insurance was effective and will refund premiums for any other period already paid. In the event that the premium is determined on a seasonal basis, this may be taken into account when refunding premiums, as provided for in the second paragraph of Article 17 of Act No. 30/2004. No premiums are refunded in the event that the value of the insured is paid in full due to total loss and the insurance therefore cancelled.

Article 16. Insurance amounts – Price changes

The amounts specified in these terms and condition are based on the consumer price index when it stood at 177.8 points on 1 January 1997. Insurance amounts, those stated in the insurance certificate and the amounts stated in these terms and conditions are adjusted on a monthly basis in accordance with changes in the consumer price index.

In the event that the publication of the index is discontinued, the Company may base the adjustments on other comparable official indexes. The amount of the premium of the insurance changes in the same manner in accordance with the insurance amount as current on the date of the renewal of the insurance. Loss and damage is compensated in accordance with the insurance amount in effect on the date of the loss or damage. Interest on compensation amounts is governed by Article 50 of Act No. 30/2004.

Article 17. Increased risk

The insured is under obligation to immediately inform the Company:

If his operation or insured moveable property is transported to a location other than that stated in the insurance certificate.

If other changes (e.g. as regards the type or use of the insured property) are made that increase the risk exposure to his operation or other elements covered by the insurance.

If another insurance covering the same risk is purchased.

In the event of a change of ownership, including in the event of a change in operating form.

The Company reserves the right to terminate the insurance, cf. Article 11 of these terms and conditions, or to amend the insurance terms in the event of any of the above changes. Failure to provide such notification may lead to the partial or full cancellation of compensation rights according to the rules of Articles 24 and 25 of Act No. 30/2004.

Article 18. Violations of the precautionary principles

Precautionary principles are rules of conduct set forth with the intent to prevent and limit loss or damage. A precondition for the payment of compensation is that the established precautionary principles have always been followed.

If the insured has neglected to comply with precautionary principles or other instructions contained in the insurance contract, the liability of the Company may be reduced or cancelled, as provided for in Article 26 of Act No. 30/2004.

Article 19. Measures to prevent loss or damage

When an insurance incident has taken place, or there is imminent danger that it may occur, the insured shall do his utmost to prevent or reduce the damage. Failure in this respect may result in the reduction or loss of compensation in accordance with Act No. 30/2004 on Insurance Contracts.

Article 20. Notification of loss or damage – Measures taken with respect to loss or damage

The insured must immediately notify the Company of any loss or damage. The same applies if the policyholder gains knowledge of or suspects that a compensation claim likely to be covered by the policy will be made against him. If an insurance event has taken place, or there is imminent danger that it may occur, the insured must do his utmost to prevent or reduce the damage. The insured shall provide the Company with an option to inspect and assess the loss or damage prior to repairs being carried out or damaged items disposed of. If the insured neglects these duties, such neglect may cause the reduction or forfeiture of compensation. Both the insured and the Company are entitled to have two impartial appraisers appointed to determine the scope of the loss or damage and to decide on the amount of insurance compensation. Each party shall appoint one appraiser. The appraisers jointly select a third party before the appraisal is executed. In the event of a dispute between the appraisers, the third party shall cast the deciding vote as regards their dispute issues. In the event that the appraisers are unable to agree on a third party, such party shall be court appointed. The appraisers evaluate and calculate the loss or damage in accordance with the provisions of the insurance terms and conditions and the insurance certificate, i.e. as regards possible under-insurance. They shall submit a written statement of their findings as well as the manner in which the amount of the financial loss has been calculated. Each party pays their own appraiser for the evaluation. The parties share the cost of the third party.

Article 21. Time limit to notify of loss or damage – Expiry

The insured loses the right to compensation if:

1. He does not notify the Company of his claim within one year from the time when he became aware of the event which gave rise to the claim.
2. He has not initiated court proceedings or requested procedure before the Insurance Complaints Committee within one year from the receipt of written notification that the claim was rejected, as provided for in Article 51 or Article 124 of Act No. 30/2004.

The claim of the insured for compensation is statute barred according to the provisions of Article 52 or Article 125 of Act No. 30/2004.

Article 22. The insured causes an insurance event

Intent

If the insured has intentionally caused an insurance event, the Company will not be held liable, as provided for in the first paragraph of Article 27 of Act No. 30/2004.

Gross negligence

If the insured has caused an insurance event by gross negligence or if the consequences of the insurance event were greater than they otherwise would have been, then the Company's liability may be reduced or cancelled, as provided for in the second paragraph of Article 27 of Act No. 30/2004.

Article 23. The conduct of individuals other than the insured – Rules on identification

Provisions stipulating that the insured's right to compensation will be reduced or cancelled due to the actions or inaction of the insured also apply to the insured's right to compensation due to the corresponding conduct of his employees, as provided for in the second and third paragraphs of Article 29 of Act No. 30/2004.

Article 24. Multiple insurance

If the interests covered by this insurance are also covered by another insurance, the insured may decide from which insurance he will request benefits, until he has received the benefits to which he is entitled. If one or more insurance companies are liable for loss or damage, they shall, unless otherwise negotiated, pay proportional compensation according to the liability of each for the loss or damage. The company that compensates the loss or damage, therefore, may demand proportional reimbursement from other companies.

Article 25. Right of recourse

In the event that the insured is entitled to financial compensation against another party due to a covered loss, the Company acquires that right to the extent that it has paid compensation to the insured. The insured must, in such cases, take the necessary measures to secure the claim until such time as the Company can guard its own interests.

Article 26. Explanatory provisions relating to information technology

Property damage, insured against according to this insurance, covers material damage and loss to property with ownership rights attached. Material loss or damage to property with ownership rights does not cover loss or damage to information data or software, particularly harmful changes to information data, software or computer programming caused by destruction, distortion or because their original form has been deformed. As a result, the following are not included in this insurance policy:

- a. Loss or damage to information data or software, particularly harmful changes to information data, software or computer programming, caused by their destruction, their distortion or because their original form has been deformed, as well as all operating losses due to the cessation or disruption of operations caused by such loss or damage.
Notwithstanding this exemption, loss or damage to information data and software that are the direct consequence of liable material property loss or damage to property with ownership rights will be compensated, provided that these interests have been insured specifically.
- b. Loss or damage caused by the reduction of function or usefulness, scope of use or access to information data, software, or computer programming, as well as all operating losses due to the cessation or disruption of operations caused by such loss or damage.

Article 27. Wars, strikes, nuclear energy, terrorism, natural disasters, etc.

The Company does not compensate loss or damage directly or indirectly caused by war, invasions, the actions of foreign enemies, military actions (irrespective of whether war has been declared), civil war, armed resistance, revolution, uprisings, uprisings against the authorities, riots, strikes, military coups or coups d'état, martial law or siege or events or causes that are critical factors leading to a declaration of the entry into effect of martial law or siege conditions. The Company does not compensate loss or damage or costs which are entirely or to some extent caused, directly or indirectly, or originate in or from:

1. Ionic radiation or pollution from any kind of nuclear fuel or nuclear waste or from the combustion of nuclear fuel.
2. Radiation, poisoning, explosions or other hazardous or polluting properties of nuclear stations, nuclear reactors, or any kind of nuclear equipment, or any parts of such stations, reactors or equipment.
3. Any form of weapons using atomic or nuclear fission or the fusion of atoms or nuclei or other similar nuclear reactions, radiation energy or other radioactive materials.

The Company does not compensate for loss or damages or costs directly or indirectly caused by biochemical or chemical pollution from any form of acts of terrorism, irrespective of any possible interactive causes.

Acts of terrorism include, but are not limited to, the use of force or violence and/or threats of such use, by a person or a group of persons, whether he or they work alone or on behalf of or in connection with one or more organisations or governments and which are performed for political or religious purposes, for idealistic or nationalistic purposes or for such reasons, including for the goal of having an effect on the government and/or to make the public, or a proportion thereof, fearful.

Pollution means corruption, poisoning or restrictive and/or limiting effects on the use of items and materials due to chemical compounds and/or biological materials.

The Company does not compensate for loss or damage resulting from volcanic eruptions, earthquakes, landslides, snow avalanches, floods or other natural disasters.

Article 28. Provisions in the insurance policy

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

Article 29. Disputes

In the event of a dispute as regards this insurance policy, the dispute shall be resolved by an Icelandic court of law in accordance with Icelandic law unless otherwise stipulated by international agreements binding to Iceland.

The Insurance Complaints Committee shall rule on any dispute concerning liability, fault and culpability as well as issues that relate to Act No. 30/2004 on Insurance Contracts.

The Insurance Complaints Committee is housed at the Financial Supervisory Authority. Information and application forms for a request for referral to the Committee may be obtained from the websites www.fme.is and www.sjova.is, as can as further details regarding the scope of activities and procedures of the Committee. A procedure before the Insurance Complaints Committee will not limit the right of the referring parties to also refer the case to a court of law.

Article 30. Venue

The Company's legal venue is in Reykjavik. Any disputes arising against the Company due to this insurance policy shall be brought before the District Court of Reykjavik.

Entered into effect 1 July 2015.

This document is an English translation of the original Icelandic insurance terms. In case of any discrepancy between this translation and the Icelandic terms, the Icelandic terms shall apply.