

Bicycle Insurance is a comprehensive asset insurance for bicycles. These terms apply to the insurance in addition to the company's general terms no. 001.

The insured is the policyholder.

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**Art. 1. Where does the insurance apply?**

The insurance applies anywhere in the world.

**Art. 2. What does the insurance cover?**

The insurance covers damage to a bicycle that is specified on the insurance certificate and is owned by the insured, provided that the damage is caused by a sudden and unforeseen external event that is not specifically excluded from the company's liability. In these terms, a bicycle means a pedal-powered bicycle, as well as a bicycle with an electric motor of up to 5 kW.

**Art. 3. Exclusions**

The insurance does not cover damage:

- a. That occurs when the bicycle is misplaced, forgotten, lost or left unlocked in a public place.
- b. Due to theft that does not occur through burglary or robbery. Burglary means when an unauthorized party breaks into locked premises, storage or a vehicle and there are unmistakable signs of the break-in at the point of entry. Robbery means theft where physical violence is used or there is a threat to use it immediately. This exclusion does not apply to theft of a bicycle that has been locked to a fixed object.
- c. That is caused by wear and tear, defects, incorrect assembly, insufficient maintenance or internal failures. The same applies to failures resulting from voltage fluctuations or failures at the electricity utility.
- d. That falls under the statutory or contractual liability of the seller or manufacturer.

**Art. 4. Safety regulations**

The insured shall exercise reasonable care in the handling and storage of the bicycle, as well as take special measures to limit the risk of damage when applicable, including from theft, water or fire, and to reduce the extent of damages.

The bicycle shall always be securely locked to a fixed object if stored outdoors or in a public place, and arranged in such a way that the risk of damage is limited as much as possible.

When moving residence and during other transport of the bicycle, it shall be securely fastened and packed in such a way that the risk of damage is reduced as much as possible.

The insured shall follow the instructions of the seller and service provider regarding the handling, maintenance and use of the bicycle.

**Art. 5. How are compensation amounts determined?**

If the insured bicycle is destroyed, stolen or the company does not consider repair to be economical, compensation is paid in accordance with the original purchase price less an annual depreciation of 7%, which reaches a maximum of 70% when the bicycle is 10 years old.

Cosmetic defects that do not reduce usability are not compensated, and repair of a bicycle is considered satisfactory if the bicycle is in a similar condition as before the damage, even if signs of repair can be seen. The company does not cover costs beyond the direct repair cost, such as cleaning, lubrication, inspection and warranty checks.

**These terms apply from 2 June 2026.**

**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.**