

Hertz rental agreement

Obligations of the Renter

- 1) The Renter accepts the provisions of this rental agreement and has received a copy of it.
- 2) The driver shall be at least 20 years of age and shall have held a driver's license for at least one year before renting a vehicle. The Renter shall abide by Icelandic law and regulations when driving. The vehicle is under **the responsibility of the Renter**, which, under this rental agreement, can never be less than until Hertz has registered the vehicle as returned in his system. Registration of return can only take place at the opening hours.
- 3) The Renter shall return the vehicle as stated below:
 - a) With all attachments, including tires, tools, documents, maps and other items that were in or on the vehicle upon rental, in the same condition as upon reception, except for normal wear and tear from use. If something is missing the Renter agrees that the cost price of individual items that are absent when the vehicle is returned will be charged to his or her credit card which the Renter used at the beginning of the rent. The same applies if extra parts that came with the vehicle are missing upon the vehicle's return or if returned in an unsatisfactory condition, i.e. these items will be charged to the credit card used at the beginning of the rent.
 - b) At the predetermined time as stated on the front page of the rental agreement or sooner if Hertz demands it.
 - c) At the Hertz car rental where the vehicle was rented, unless otherwise agreed. If at the end of the rental period the vehicle is not left at Hertz's venue of rent, Hertz is authorized to charge the renter for pick-up of the vehicle according to its pricelist.
 - d) With a full tank of fuel. If the vehicle is not returned with a full fuel tank Hertz is authorized to charge the Renter for the difference in fuel until the tank is full at the pricelist of Hertz.
- 4) The Renter shall pay for the fuel and other needed for driving the vehicle for the period of time the vehicle is at her or his responsibility, which in the interpretation of this agreement, is never a shorter period than the period Hertz has to register the vehicle in its system as returned, which can only be processed during the company's opening hours.
- 5) If the Renter does not return the vehicle at the correct time according to this rental agreement, or negotiates extended rental with the Hertz office, Hertz or the police are authorized to take possession of the vehicle without further notice at the Renter's expense. Extended rental is subject to the consent of Hertz. If the Renter returns the vehicle 1 hour or more after the expiry of the rental period, Hertz is authorized to collect as much as a one-day rent according to this rental agreement. For every day that begins thereafter, Hertz may collect all charges as per the company's pricelist.
- 6) The vehicle shall be cautiously and carefully driven. Only persons who are registered with Hertz as the drivers and who meet the provisions of Item 2 above, are authorized to drive the rented vehicle. If the vehicle is driven by a person who is not registered in this rental agreement, all insurance becomes null and void, in which instance the

Renter is fully liable for the vehicle, for damage it may sustain, damage it may cause others, items or vehicles, and obligates to pay such damage in full.

- 7) The Renter has objective liability in respect of the vehicle towards Hertz, for example, because of damage sustained by Hertz if the vehicle is stolen or if the vehicle sustains damage that will not be compensated by the company's insurance company.
- 8) The Renter has objective liability in respect of Hertz for damage derived from the use of the vehicle and will not be compensated by Hertz's insurance company, including damage to passengers or other persons.
- 9) The Renter is liable for damage derived from the use of the vehicle and will not be covered by the vehicle's insurance company, including damage to the vehicle and/or passengers that may be traced to the following factors:
 - a) Off-road driving
 - b) Driving in rivers or any kind of watercourses
 - c) Intentional actions or major negligence
 - d) Driver's usage of intoxicants
 - e) Usage of the vehicle that is in breach of Icelandic law and/or the provisions of this rental agreement.
- 10) The Renter is unauthorized:
 - a) Off-road driving, for example, in paths and tracks, on beaches, in areas only accessible during low tide, or in other trackless areas.
 - b) Driving on roads that are marked with an F on public maps, as well as driving the Kjölur or Kaldidalur roads, except jeeps in the category 4WD (four-wheel drive vehicles) that Hertz agrees as appropriate for being driven on such roads. A breach of this Article authorizes Hertz to collect **fines** from the Renter, equaling the amount of own-risk cf. the pricelist of Hertz at any given time. The aforementioned provision on fines does not affect the Renter's liability regarding damage.
 - c) Driving under the influence of any intoxicants.
 - d) Driving in or across rivers or any kind of watercourses. **Such driving, is totally the responsibility of the Renter**, cf. also Item i, Article 30.
 - e) Driving in banks of snow and ice.
- 11) In the instance of collision or another accident, the Renter shall immediately notify the police, as well as Hertz. The Renter may not leave the venue of collision or accident until this has been done and until the police have arrived, or a damage report has been prepared. The Renter shall immediately fill out the damage report if damage has occurred. **If the Renter does not report the damage within 12 hours from its occurrence, the Renter is fully liable for the damage and shall in such instance pay for it in full irrespective of the collision damage waiver (CDW) that is attached to the insurance taken out by the Renter at the beginning of the rent.**
- 12) The number of kilometers (km) the vehicle is driven during the rental period is determined by reading the vehicle's odometer. The Renter shall notify Hertz without delay if the odometer is or will become inactive while the vehicle is at the responsibility of the Renter and shall abide by all the instructions of Hertz regarding

this, including taking the vehicle in for repair. Hertz is authorized to assess the number of kilometers driven in the event of the odometer not working.

- 13) The Renter agrees to pay Hertz a required deposit in the estimated amount of the rent and/or other charges the Renter may be subjected to regarding the rent.
- 14) The Renter is not authorized to have repairs or changes made of the vehicle and its attachments or to place them as guarantees without the prior consent of Hertz.
- 15) The Renter is responsible for all parking tickets and fines for traffic violations. Hertz reserves the right to collect a charge from the Renter, charged against his or her credit card, according to Hertz's pricelist, if it turns out that Hertz has to pay fines for the Renter and/or inform the authorities about the Renter because of traffic violations.
- 16) The Renter is not authorized to use the vehicle for transporting passengers against payment, lend it or sub-lease it.
- 17) The Renter shall pay all collection costs that fall on Hertz if Hertz launches collection measures because of this rental agreement.
- 18) The Renter is responsible for all expenses derived from transporting the vehicle to Hertz's location, as decided by Hertz, in the event of transportation because of an accident or damage to the vehicle, or for other reasons. In such instance the collision damage waiver (CDW) has no impact.

Obligations of Hertz:

- 19) Hertz guarantees that the vehicle meets the requirements made on it.
- 20) The vehicle shall be made available to the Renter with a full fuel tank.
- 21) Hertz guarantees to do its utmost to make the vehicle available at the agreed hour. If the vehicle is presented to the Renter more than 8 hours after the agreed rental hour, the rent for said day shall be dropped.
- 22) If the vehicle malfunctions because of normal wear and tear, or for other reasons for which the Renter cannot be at fault, Hertz shall make another vehicle available to the Renter as soon as possible, or see to it that the repairs are made as soon as possible at the location decided by Hertz. The aforementioned does not affect the payment of the rent or other which the Renter should pay according to this rental agreement. Hertz pays no compensation in the instances stated above, neither because of accommodation or other.
- 23) Hertz shall inform the Renter of the contents of this rental agreement, particularly the obligations the Renter undertakes by signing it.
- 24) Hertz shall to the extent possible inform foreign Renters about the Icelandic traffic regulations, the traffic signs and the rules prohibiting off-road driving, as well as the hazards caused by the presence of animals on the roads.

- 25) If Hertz wishes to limit the use of a vehicle with respect to its structure and/or the conditions of the roads, in other respects than stated in this rental agreement, this shall be done in writing upon the signing of this rental agreement.
- 26) Hertz guarantees to always have valid liability insurance for its operation.
- 27) Hertz is not liable for the disappearance of items or damage to them, which the Renter or another party kept or transported in or on the vehicle.

Insurance and own-risk fee (Collision Damage Waiver – CDW)

- 28) The rental fee includes the mandatory vehicle insurance, i.e. liability insurance and accident insurance for the driver and the owner.
- 29) Third-party liability insurance and the accident insurance for the driver are to the amount stipulated by Icelandic law at any given time. The Renter's own-risk (CDW) because of damage to a vehicle may amount to the full value of the vehicle; cf. a further stipulation of own-risk on the front page of this contract.
- 30) The Renter may pay an own-risk fee and thereby reduce his or her liability. The amount of the own-risk fee is according to the pricelist of Hertz. Notwithstanding the payment of the own-risk fee, the Renter is always obligated to pay a minimum amount in the event of damage to the rented vehicle during the time the vehicle is at the responsibility of the Renter. This amount is determined in the pricelist of Hertz. Each own-risk only applies to one incident. In instances of more damage that obviously did not occur at one and the same time, each own-risk CDW applies to only one incident.
- 31) The amounts of own-risk fees (CDW) vary, depending on how high the amount of damage they apply to. In respect of own-risk fees (CDW) and to which damage amounts such payments apply, a reference is made to the pricelist of Hertz, which is deemed as being a part of this rental agreement if an own-risk fee (CDW) is paid. **The payment of an own-risk fee (CDW) does not reduce the Renter's own risk because of damage to the vehicle in the following instances:**
 - a) Intentional damage or damage resulting from major negligence by the driver.
 - b) Damage resulting from the driver being under the influence of intoxicants or is in other respects incapable of controlling the vehicle in a safe manner.
 - c) Damage resulting from racing or test-driving.
 - d) Damage resulting from warfare, revolution, riots and/or civil unrest.
 - e) Damage caused by animals.
 - f) Holes burned into the seats, carpet or mats.
 - g) Damage affecting only wheels, tires, suspension, batteries, glass, radio equipment, as well as damage due to the theft of individual parts of the vehicle and damage derived thereof.
 - h) Damage caused by driving on rough roads, for example, to the transmission, the drive shaft, other parts in or on the chassis of the vehicle, damage to the chassis of the vehicle caused by the vehicle bumping against uneven roads, for example, road shoulders caused by motor graders, rocks lodged in gravel roads or by the edges of roads. The same applies to damage resulting from loose rocks hitting the vehicle or the bottom of the vehicle when being driven.

- i) Damage resulting from the vehicle being driven in areas where driving it is banned, for example, driving on paths, tracks, banks of snow, ice over or in unabridged rivers, streams or other watercourses, on beaches, places that are only accessible during low tide or other trackless areas.
 - j) Damage to vehicles caused by driving on roads marked with an F in public maps and on the Kjölur and Kaldidalur roads.
 - k) Damage to the vehicle caused by sand, gravel, ash, pumice or other kinds of earth materials being blown against it.
 - l) If the vehicle is shipped by sea, the payment of the own-risk fee does not apply to damage caused by seawater.
 - m) Damage to Hertz because of the vehicle being stolen.
 - n) Water damage to the vehicle.
- 32) Subject to the payment of a special fee, TP fee, the Renter can reduce his or her liability for Hertz's damage derived by the vehicle being stolen. Notwithstanding the payment of the TP fee the Renter must always pay a minimum amount if the vehicle is stolen while at the responsibility of the Renter. This amount is determined in the pricelist of Hertz.

General provisions:

No insurance covers damage to the chassis of a vehicle or caused by driving in rivers or lakes. The own-risk fees (CDW and SCDW) do not cover such damage. The Renter is fully liable for such damage; see further the item above on insurance.

- 33) Hertz is authorized to take possession of the vehicle at its discretion and without notice if it has been illegally parked or has been used in a manner that does not conform to this rental agreement or law and regulations, or if the vehicle appears to be abandoned.
- 34) In instances where Hertz exercises its right according to the aforementioned, this by no means affects the payment of the rental fee or other which the Renter shall pay according to this rental agreement. If, however, the vehicle is re-rented to a third party within the agreed rental period the amount of the rental fee shall be deducted to the extent where the rental periods of the Renter and the third party coincide. Hertz decides unilaterally at any given time whether the Renter will be provided with another vehicle instead of the rented one, i.e. in instances of any breach of the rental agreement. If the Renter receives another vehicle of a different and less expensive type, the Renter will receive no reimbursement of the balance. If there is only a more expensive vehicle available, however, Hertz reserves the right to collect the balance between the rented vehicle and the vehicle which Hertz decided to make available instead to the Renter, charged to the credit card presented by the Renter upon the beginning of the rent or later.
- 35) **Smoking** is prohibited in the vehicle, where this is ignored a cleaning fee will be charged according to the Hertz pricelist.
- 36) Hertz is authorized to charge against the Renter's credit card the rental fee and other the Renter should pay according to this rental agreement, including payments because of damage to a vehicle while in the possession of the Renter, and also because of lost

rental days because of damage, taking into consideration the utilization ratio of Hertz's fleet of vehicles, and Hertz alone shall hold the power to decide when this is done and whether done in one transaction or not. This right remains intact for six (6) months after the vehicle has been returned to Hertz. The Renter's signature to this rental agreement equals the Renter's signature to credit-card withdrawals because of the payments that Hertz charges against the Renter's credit card and which Hertz should rightfully receive on grounds of the provisions of this rental agreement.

- 37) The Renter confirms with his or her signature to this rental agreement and the damage report that he or she received the vehicle and attachments in sound condition.
- 38) This rental agreement shall always be in the vehicle while at the responsibility of the Renter.
- 39) Any amendments or annexes to this rental agreement are subject to being made in writing and confirmed with the signatures of both parties to the agreement.
- 40) This rental agreement and agreements entered into on grounds of the aforementioned provisions, as well as claims for damages that may subsequently be made, fall under the auspices of Icelandic law. This applies both to the grounds and calculation of compensation. The same applies to claims for damages on grounds of liability outside of agreements. A case arising over this agreement shall only be filed at the legal venue of Hertz.
- 41) **The Renter agrees by signing this agreement, should a vehicle sustain damage or loss of which the Renter is responsible for, that the following documents shall be considered as sufficient evidence regarding the cost and extend of such damage or loss, whether a civil case is filed or not: 1) Detailed Invoice from a approved garage that has obtained CABAS certification according to CABAS Liability Assessment System and/or an assessment from a certified garage that has obtained CABAS certification according to CABAS Liability Assessment System. 2) A photograph/s of a damage or loss of a vehicle. 3) Signed Rental Agreement. 4) A Damage Report filled out by an employee of Hertz. 5) "Check-in control" paper filled out by an employee of Hertz (only if a vehicle is returned during opening hours at a Hertz place of business)**
- 42) Matters of disagreement between the parties to this rental agreement may be brought before the Arbitration Committee of the Icelandic Consumers Association and the Icelandic Travel Industry Association.