

Rental Agreement

Version 0623

Age requirements and driver's license:

- 1) The renter/driver of a passenger car or a jeep must be at least 20 years old and driver license held for at least one year.
- 2) The renter/driver of a luxury car must be at least 23 years old and driver license held for at least one year.
- 3) The renter/driver of a bigger vehicles which according to law at any given time requires extended driver license shall present appropriate license at the start of rental.

Method of payment:

4) Renters valid credit card required. Visa & MasterCard credit cards accepted. A credit card imprint will be taken at the start of all rentals for security reasons, even when a voucher covers the cost of the rental. This credit card imprint may be used to pay all extra charges, including extra km, extra insurance, parking charges and road-tolls as well as parking fines and fines resulting from violating traffic laws, damages, tank re-fill or any cost related to the use of the rented vehicle.

Obligations of the renter:

- 5) The renter agrees to the provisions of the rental and has received a copy of it.
- 6) The renter will return the vehicle:
 - a) With all attachments, including tires, tools, documents, maps, and other items that were in or on the vehicle at the start of 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. 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 renter's credit card.
 - b) On the date and time specified by Höldur car rental, unless otherwise agreed later.
- 7) If the renter violates the terms of this contract or does not return the automobile at the time agreed according to rental or does not declare his intention to extend the rental, Höldur car rental or the police are authorized to repossess the vehicle without further notice and at the renter's cost. Extending the rental is dependent on the consent of Höldur car rental. If the renter returns the vehicle 1 hour or later after the lease has expired, Höldur car rental is authorized to demand up to 24-hours rental under the terms of the rental. For every day that begins thereafter, Höldur car rental may collect all charges as per the company's pricelist.
- 8) Driving rental cars on roads or tracks with no road number is forbidden. Passenger cars and 2wd vehicles are strictly forbidden on roads that are marked with an F on public maps, as well as driving Kjölur (road 35) or Kaldidalur (road 550). Driving on F-roads is only allowed on 4X4 (four-wheel drive) jeeps that Höldur car rental agrees as appropriate for being driven on such roads. A breach of this article authorizes Höldur car rental to collect fines from the renter, equaling the amount of own risk as stated in Höldur car rental's pricelist at any given time. The provision of fines does not affect the renter's liability regarding damage.
- 9) It is always the renter's responsibility to obtain information on road conditions while travelling as well as weather forecasts and general warnings.

10) Motorhomes are not to be driven if wind speed exceeds 15 m/sec on public meters of the Icelandic Road and Coastal Administration. If the renter ignores this warning and damages the car it will result in full payment of damages regardless of the selected insurance coverage.

11) The vehicle shall be handled and driven carefully. Only those named as drivers on the first page of the agreement are authorized to drive the vehicle. If renter drops off the vehicle at different location than stated in this rental agreement Höldur car rental is allowed to charge the renter according to the company's pricelist for the cost caused from fetching the vehicle. If the vehicle is not returned with a full fuel tank, Höldur car rental is authorized to charge the renter for refueling the vehicle according to the company's pricelist. The renter is liable for damage resulting from use of the automobile for which no compensation will be paid by the insurance company. This includes damages to the vehicle and/or injury to passengers due to the following:

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) Vehicle use that contravenes Icelandic law and/or the provisions of the rental or driving under the influence of any intoxicants.

c) Driving in or across rivers or any kind of waterways. Such driving is totally the responsibility of the renter.

d) Driving in banks of snow and ice.

12) In the event of a collision or accident the renter shall immediately notify the incident to Höldur car rental, the appropriate police authorities, or firm that takes care of making accident statements. It is the renter's sole responsibility that such statement is made in all cases of collision or accident.

13) The number of kilometers (km) that the vehicle is driven while the renter is in force is determined by reading a normal odometer supplied with the vehicle by the manufacturer. The renter shall notify Höldur car rental as soon as possible if the odometer is out of order or stops functioning during the term of the rental.

14) Höldur car rental is not responsible for the disappearance of or damage to property that the renter or any other party leaves in or transports with the vehicle.

15) The renter agrees to pay Höldur car rental, upon request:

a) a deposit amounting to the estimated cost of renting the vehicle. If the lease amount is not paid in full and on time according to the terms of this lease agreement, Höldur car rental reserves the right to confiscate the vehicle and terminate the lease without further notice.

b) all expenses incurred by Höldur car rental if it must bring the vehicle back to its premises, in the event that it has been left somewhere without supervision, without regard to condition of the vehicle, the roads or the weather. In the same manner the renter is responsible for all costs due to transport of the vehicle in case of damage caused by the renter.

16) The renter is not authorized to have repairs done or make changes to the vehicle or its accessories, or to put the vehicle up as any kind of security, without the prior consent of Höldur car rental.

17) The renter is liable for all parking charges and road-tolls as well as parking fines and fines resulting from violating traffic laws.

18) Höldur car rental reserves the right to collect a charge from the renter's credit card, according to the company's pricelist if it must pay fines for the renter and/or inform the authorities about the renter because of traffic violations.

19) The renter is not authorized to use the vehicle to transport passengers for payment, lend it to others, or sublease it.

20) If the renter ignores notifications from Höldur car rental to bring the vehicle in for oil change, service inspection or mandatory vehicle inspection Höldur car rental is permitted to collect a negligence charge according to the companies' rates.

21) If the rental ends before the agreed time as per the agreement Höldur car rental is allowed to collect the full balance of the rental agreement.

Obligations of Höldur car rental:

22) Höldur car rental undertakes to supply the vehicle at the agreed time and see to that it meets the demands made for it.

23) If the vehicle malfunctions, Höldur car rental shall supply the renter with a comparable vehicle as soon as possible. If the damage is minor, Höldur car rental is authorized to have repairs done on the vehicle after obtaining the renter's consent.

24) Höldur car rental shall inform the renter of the content of the agreement particularly as regards the obligations that the renter undertakes by signing it.

25) Höldur car rental shall inform the foreign renters regarding Icelandic traffic regulations, traffic signs, and regulations banning off-road driving. Höldur car rental shall particularly point out the dangers stemming from animals on the roads.

26) If Höldur car rental wants to limit the use of the vehicle about its equipment and/or conditions, this shall be done in writing when the rental agreement is signed. Höldur car rental undertakes to maintain valid liability insurance for its business operations.

Insurance:

27) The lease sum/rental fee includes mandatory vehicle insurance, including liability insurance and accident insurance for the driver and passengers.

28) Third-party liability insurance will consist of the amount stipulated by Icelandic law at any given time.

29) The renter can purchase separate accident (CDW) insurance. This policy will specify the amount deductible in each instance of loss.

30) 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) What CDW, SCDW and ZERO insurances do **not** cover:

a) Intentional damage or damage due to gross negligence on the part of the driver.

b) Damage resulting from the driver being under the influence of alcohol, stimulants, or sedatives, or in any other way incapable of driving the vehicle in safe manner.

c) Damage due to race or test driving.

d) Damage due to war, revolution, civil unrest, or riots.

e) Damage done by animals.

f) Holes burned into seats, carpets, or mats.

g) Damage affecting only wheels, tires, suspension, batteries, glass (other than windows), radios, or loss by theft of parts of the vehicle and damage resulting from this.

h) Damage caused by driving on rough roads to the vehicles transmission, drive, battery and other parts that are in or attached to the chassis; damage to the chassis resulting from scraping the bottom on rough roads as a result of ridges being left by the road graders; stones lodged in the road surface or on the shoulder of the road. The same applies to damage occurring when stones are thrown up, striking the underside of the vehicle during driving.

i) Damages resulting from driving in places where vehicle traffic is banned, such as paths, tracks, banks of snow, ice, unbridged rivers or streams, beaches, places only accessible at low tide, or other trackless areas.

j) Damages caused by sand, gravel, ash, pumice, or other kinds of earth material being blown onto the vehicle, only SADW (Sand and Ash Damage Waiver) covers such damage – please refer to General provisions.

k) If the vehicle is transported by sea, no compensation will be paid for damage caused by sea spray/seawater.

l) Damages to passenger cars and/or 2wd vehicles caused by driving on roads marked as F-roads on public maps as well as driving on Kjölur (Road 35) or Kaldidalur (road 550)

m) Höldur car rental's loss because of the vehicle being stolen.

n) Water damage to the vehicle.

In other instances, reference is made to the general provisions for accident/all-risks insurance.

General provisions:

32) Insurance: Third party liability insurance shall be equivalent to the amount stipulated by Icelandic law each time. The renter is totally responsible for any and all damage to the car. By purchasing Collision Damage Waiver (CDW) the renter can insure himself against the disbursement of the driver liability; the amount of the own-risk fee is according to Höldur car rental's pricelist at given time and is also stated on the front side of this rental agreement. If renter has already purchased CDW insurance, he/she is able to purchase Super Collision Damage Waiver (SCDW) insurance and by doing so further lower the own risk. Sand & Ash Damage Waiver (SADW) covers damage caused by sand, stone, or ash storm. Gravel Protection (GP) covers damages to the front windshield and headlights caused by sand, stone, or gravel. Theft Waiver (THW) covers damages to the vehicle if it gets stolen when parked with the doors locked, all windows closed and keys not in. Theft Waiver does not cover damages caused by breaking and entering nor does it cover loss of personal belongings of the renter or passengers. Zero Excess Cover (ZERO) only reduces the self-risk of the SCDW & SADW down to null amount. Zero Excess Cover does not free the renter from any liability in the events where these car rental terms are violated. Self-risk of additional insurances is stated in Höldur car rental's pricelist.

33) However, no insurance covers damages to the underside of the rented vehicle or tires, nor damages due to driving through rivers or any kind of waterfall or damages caused by natural disasters, CDW, SCDW, SADW, GP, THW or ZERO do not cover such damages. Such damages are always the renter's full responsibility. Please see more about insurance in the articles here above.

34) Insurance in this agreement is provided by Vátryggingafélag Íslands hf. (VÍS), ID no. 690689-2009, Ármúla 3, 108 Reykjavík, IS. The renter agrees that the insurance company is notified about this rental agreement and its parties. Höldur car rental only acts as a distributor. Insurance prices include administration fee and commission of Höldur ehf. Insurance terms from VÍS no. BA10 and BK10, that are valid for this agreement, can be found on VÍS homepage, www.vis.is. For general information about the insurance (IPID) see also VÍS homepage. Complaints

regarding insurance benefits, terms and conditions can be sent to The Insurance Complaints Committee. Further information can be found on CBI Financial Supervision homepage, www.fme.is.

GPS Tracking Devices:

35) The following data points are collected from each vehicle tracked by Höldur car rental through services provided by a Telematics Service Provider: Position, speed, acceleration, impact data (location, g-force, and direction of impact) and the identifier of the device in the vehicle. This data is collected for the following reasons: Detection and prevention of loss or theft of the company vehicles, management of insurance claims, identification of unauthorized vehicle movements, vehicle use in relation to safety and public welfare, management of vehicle inventory. Information about processing of personal data can be found in Höldur car rental's Privacy Policy.

General terms:

36) The renter confirms with his or her signature to this rental agreement that he or she received the vehicle and attachments in sound condition.

37) Signing this rental agreement is equal to the renter's signature for a credit card transaction due to payments of charges which Höldur car rental charges to renter's credit card and is rightfully claimed by Höldur car rental according to provisions of this rental agreement.

38) This rental agreement shall always be in the vehicle while at the responsibility of the renter.

39) Additions and amendments to the conditions and provisions of this rental agreement shall be made in writing.

40) Icelandic law applies to agreements made based on terms stated above. This includes any claims for compensation that might be made. This applies both to the basis for and the calculation of compensation. The same applies to claims for damage based on liability outside this agreement. If legal disputes arise concerning the rental agreement, they will be heard before the Höldur car rental's legal venue.

41) Disputes between parties of this rental agreement can be submitted to the Arbitration committee of the Icelandic Consumer's Association and the Icelandic Travel Industry Association.

New PER-KM TAX in Iceland

Starting from January 1, 2024, Icelandic Authorities have introduced a new Road Tax. The purpose of this tax is to contribute to the construction and maintenance of the Icelandic Road system. Under this new Per-km Tax system, Plug-in Hybrid Electric Vehicles (PHEV) are charged ISK 2 per kilometer, while electric cars face a rate of ISK 6 per kilometer. Conventional fossil fuel cars will have this tax added to the price of petrol or diesel. As part of the regulations, car rentals are required to apply this Per-km Tax upon the return of rental cars, as it is based on the total distance driven. Therefore, we will be charging for this additional cost after the return of the rental vehicle.