

## TERMS AND CONDITIONS

## PAYMENTS TERMS

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The parties to this agreement are Geysir ltd. reg. id. #661093-2699 (Geysir) and the person(s), whose name is written on this agreement and identified as either renter or driver of the rented car.

## **OBLIGATIONS OF THE RENTER:**

- 1. The renter agrees to the provisions of this contract and receives a copy of it.
- 2. The renter/driver shall be at least 20 years old, and shall have held a valid driver's license for at least one year before the rental com-mences. The renter/driver of a luxury car or a motor home shall be at least 25 years old, and have held a valid driver's license for at least one year before the rental commences. The renter/driver of a larger vehicle (over 3500 kg total weight or more than 8 passengers) shall be licensed accordingly.
- 3. The renter shall be responsible for the rented car from the time it leaves the Geysir office until Geysir registers the car as returned in its system.
- 4. The renter shall return the car in the following manner:
  - 1. With all accessories (including tires, tools, documents and other items) in the condition they were in when received, with the ex-ception of normal wear due to normal use. Missing or damaged accessories will be charged at reacquisition cost to the credit card which the renter provided at the beginning of the rental.
  - 2. On the date and at the hour specified by this agreement, or sooner if Geysir demands it. Any time changes must be done and agreed to in writing.

- 5. Sufficiently clean, i.e. not excessively dirty. The renter should remove all garbage from the car's interior. The interior should be dirt free. The exterior should not be excessively dirty, i.e. not covered in mud, tar or dirt. A car returned excessively dirty is subject to a clean-up fee according to the Geysir current price list. The clean-up fee will be charged from the credit card which the renter provided at the beginning of the rental.
- 5. If the renter does not return the car at the agreed return time stated in this rental agreement, or does not declare his intention to extend the lease, Geysir or the police are authorized to repossess the vehicle without further notice and at the renter's cost.

  Extending the lease is subject to the consent of Geysir. Geysir is authorized to demand up to 24-hours rental fee under the terms of this agreement if the renter returns the vehicle 1 hour after the lease has expired or later. Any such charge may be charged from the credit card which the renter provided at the beginning of the rental.
- 6. The vehicle shall be handled and driven responsibly. Only registered renter or driver(s) as per this agreement's first page, who also fulfil the requirements in section 2, are authorized to drive the car. All insurance policies are cancelled if the car is driven by a an unregistered driver. The renter is then in full, liable for any damages, both to the car and damages resulting from the use of the car. The cost of damages occurring under aforementioned circumstances may be charged from the credit card which the renter provided at the beginning of the rental.
- 7. The renter is objectively liable for damages resulting from the use of the car for which no compensation will be paid by the car insurance. This includes damages to the car and/or injury to passengers on account of:
  - 1. Driving where prohibited by law, i.e. off beaten tracks or marked roads, in unmarked paths or tracks, on beaches or other sandy areas, or any other trackless areas.
  - 2. Driving in or across rivers or any kind of water course
  - 3. Intentional acts or gross negligence.
  - 4. Operating the car under the influence of controlled or illegal substances.
  - 5. Use of the car that contravenes Icelandic law and/or the provisions of this agreement. The cost of damages as well as incurring overhead caused by any of the above actions, may be charged from the credit card provided by the renter at the beginning of the rental.
- 8. In the event of a collision or accident, the renter shall immediately no-tify the appropriate police authorities as well as Geysir of the incident. The renter may not leave the scene before the police have arrived or an accident report has been filled out. The renter is obligated to report any damages to the car to Geysir, regardless of any collision damage waivers (CDW or SCDW) assigned to the rental.
- 9. The distance (in kilometres) that the vehicle is driven during this rental agreement is in force is determined by reading a standard odometer supplied with the car by the manufacturer. The renter shall notify Geysir, without delay if the odometer is out of order or stops function-ing during the term of the agreement.
- 10. The renter is responsible for any fines or charges that result from his/hers use of the car. This includes but is not limited to; parking-, traffic violations, speeding and speed camera fines, parking and toll charges. A handling fee of €50 is charged by Geysir for any official inquiry the company must respond to, or any fine Geysir must pay due to the use of the renter/driver of the rented car. A €100 administrative fee will be charged in addition to the cost of damage. The renter agrees that this fee and the fine/charge may be charged from the credit card provided by the renter at the beginning of the rental.
- 11. The renter/driver may not:
  - Drive the car where prohibited by law, i.e. off beaten tracks or marked roads, in unmarked paths or tracks, on beaches or other sandy areas, or any other trackless areas. Any renter/driver caught in breach of this article is subject to a fine of €2,000 by Geysir in addition to the fine charged by the police. The renter agrees that these fines may be charged from the credit card provided by the renter at the beginning of the rental.
  - 2. Drive the car on mountain or highland roads, or roads marked "F" on a map or a road sign, including Kjölur (road 35), Kaldidalur (road 550) and Sprengisandur (road 26) routes, unless the car is a 4 wheel drive or all wheel drive, intended and accepted for such use by Geysir. Failing to comply to this article is subject to
  - 3. A fine of minimum €500, plus €1 (€) for each km driven on a restricted road. The renter agrees that this fine may be charged from the credit card provided by the renter at the beginning of the rental.
  - 4. Operate the car under the influence of controlled or illegal substances.
  - $5. \, \text{Drive in or across water or rivers of any kind, without assuming all responsibility for the car.} \\$
  - 6. Drive in banks of snow, or ice, on glaciers, or on frozen lakes.

- 13. The renter agrees to pay Geysir upon request:
  - 1. A deposit amounting to the estimated cost of hiring the car.
  - 2. Any and all expenses incurred by Geysir in transporting the car back to its premises, in the event that it has been left without supervision, without regard to the condition of the vehicle, roads, or weather.
  - 3. Expenses that may arise from the renter's use of the car.
- 14. The renter is not authorized to have repairs done or make changes to the car or its accessories, or to put the vehicle up as any kind of collateral, without the prior, written consent of Geysir.
- 15. The renter is not authorized to use the vehicle to transport passengers for payment, lend it to others, or sublease it.OBLIGATIONS OF Geysir:
- 16. Geysir undertakes to supply a clean car at the agreed time with a full tank of fuel. If Geysir cannot supply the car ordered at the right time, a car of similar or higher class will be offered as a replacement. If the renter does not receive a car within 4 hours from the agreed time, the rental charges for the day will be deferred. Clean-up fees at the end of the rental will be deferred should Geysir fail to supply a clean car. If Geysir fails to supply a full tank of fuel, then the renter may return the car with the same fuel level as supplied.
- 17. Geysir guarantees that the car meets the set demands, and that all official registration standards are met.
- 18. If the car malfunctions due to normal wear and tear, or for other reasons beyond the renter's control, Geysir shall supply the renter with a comparable vehicle as soon as possible, or arrange to have repairs done without delay by a Geysir service partner. In a case of such malfunction, Geysir does not pay compensation to the renter incidental costs incurred. A refund will be made for a lost rental day if the renter is deprived from using rented car for a period over 24 hours.
- 19. Geysir shall inform the renter of the content of this agreement, particu-larly as regards the obligations that the renter undertakes by signing it.
- 20. Geysir shall inform a foreign renter on Icelandic traffic regulations, traffic signs, and regulations banning off-road driving. Geysir shall particularly point out the dangers stemming from animals on the roads.
- 21. If Geysir wants to limit use of the vehicle with regard to its equipment and/or road conditions, this shall be done in writing when this agree-ment is signed.
- 22. Geysir undertakes to maintain valid liability insurance for its business operations.
- 23. Geysir takes no responsibility for items stowed in the car by the renter or any other party. INSURANCE AND EXCESS:
- 24. The rental fee includes mandatory vehicle insurance, including liability insurance and accident insurance for the driver and the owner.
- 25. Third-party liability insurance will consist of the amount stipulated by Icelandic law at any given time.
- 26. In case of damage to the car, the renter is fully responsible. The renter can purchase a separate accident insurance against damages to the car, a collision damage waiver (CDW), which sets the amount which the renter is responsible for, in each case of damage, to the amount stipulated on the front of this agreement. Any renter, who has purchased CDW, can also purchase a super collision damage waiver (SCDW), which further reduces the amount the renter is responsible for, in each case of damage, to the amount stipulated on the front of this agreement. The renter agrees that the amount of excess stipulated on the front of this agreement may be charged from the credit card provided at the beginning of the rental.
- 27. This accident insurance does not cover:
  - 1. Intentional damages or damages due to gross negligence on the part of the driver.
  - 2. Damages resulting from the driver being under the influence of controlled or illegal substances, or in any other way incapable of driving the vehicle in a safe manner.
  - 3. Damages caused by a race or test driving.
  - 4. Damages caused by war, revolution, civil unrest, or riots.
  - 5. Damages done by animals.
  - 6. Holes burned into seats, carpets, or mats.
  - 7. Damages 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.
  - 8. Damages caused by driving on rough roads, e.g. to the transmission, the drive or drive shaft, and other parts in or attached to the chassis. Damages to the chassis, or any part of the car, resulting from the vehicle scraping bottom on

- 10. Damages to the car caused by driving on mountain roads and roads marked F on a map or a road sign, including the Kjölur (road 35), Kaldidalur (road 550) and Sprengisandur (road 26) routes. (This does not extend to 4wd and all wheel drive cars accepted by Geysir for use on mountain roads approved cars are insured on all marked roads and tracks).
- 11. Water damages to the car, its electrical system, accessories or engine.
- 12. Damages caused by sand, gravel, ash, pumice, or other kind of earth material being blown onto the vehicle.
- 13. No compensation will be paid for damage caused by sea spray/ seawater, if the vehicle is transported by sea.
- 14. Reference is made to the general conditions for accident insur-ance (Icelandic: kaskótrygging) as set by VIS insurance company at www.vis.is.The renter agrees that any damages not covered by the insurance of the car may be charged from the credit card provided at the beginning of the rental.
- 28. The renter may purchase special waivers for damages or loss caused by gravel (GP) or theft (TP) from Geysir. These waivers lower the excess of the renter in each case of damages caused by gravel, or loss due to theft, to zero.
- 29. No insurance covers damages to the underside of the car, to the tires and wheels of the car, or damages caused by water when driving over rivers, pools of water or in lakes. The same applies if the renter puts fuel, water, oil or other solvents in a wrong tank on the car. The excess fees with CDW or SCDW do not extend to any of the above damages. The renter bears all risk and all cost of such damages. GENERAL PROVISIONS:
- 30. The renter confirms with his or her signature on this rental agreement and/or attached damage report that he or she has received the car and its accessories in sound condition.
- 31. This rental agreement shall remain in the car during the term of the rental.
- 32. Prepaid rentals are fully refundable and editable up until midnight of the day that is 48-hours before the rental begins. After that time no refunds will be made for cancellations. Any changes to the rental are subject to availability. Early returns are only refundable if Geysir can rent out the early returned car again within the early return period.
- 33. Geysir is authorized to repossess the car at their discretion and without notice if the car has been illegally parked or used in a manner that does not conform with the conditions of this rental agreement or law and regulations, or if the car appears to be abandoned. The renter will pay for cost arising from such measures.
- 34. Smoking is prohibited in all Geysir cars. Evidence of smoking in the car will result in a cleaning fee of €100 minimum.
- 35. Additions and amendments to the conditions and provisions of this rental agreement shall be made in writing and confirmed in writing by a Geysir representative.
- 36. By providing his/her credit card details to Geysir, the renter agrees with his/her signature on this rental agreement that Geysir is authorized to charge the card for the rental fee and any other fees, charges or fines that may arise from this rental agreement. This includes:
  - 1. Item 4.a) Missing or damaged accessories. b. Item 4.c) Drop-off charges.
  - 2. Item 4.d) Fuel charges.
  - 3. Item 4.e) Clean-up charges.
  - 4. Item 5. Late return and related costs.
  - $5. Item \, 6. \, Damages \, to \, the \, car \, by \, others \, than \, renter/driver.$
  - 6. Item 7. Damages to the car by the renter/driver.
  - 7. Item 10. Fines and handling fees.
  - 8. Item 11.a). Fines for driving where prohibited by law.
  - 9. Item 11.b) Fines for driving standard cars on mountain roads. k. Item 11.f) Fines for smoking in the car.
  - 10. Item 26. Excess for CDW or SCDW.
  - 11. Item 27. Damages not covered by the car's insurance. Geysir retains this right for a period of up to six months after the rental ends.
- 37. This rental agreement, and any agreements, made on the basis of this agreement and its provisions, fall under the auspices of Icelandic law. 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 damages based on liability outside this agreement. If legal disputes arise concerning this lease agreement, they will be heard before Geysir legal venue, the district court of Reykjanes, Iceland.
- 38. Any disputes between the parties to this rental agreement can be sub-mitted to the active Arbitration committee of the Icelandic Consumers Association and the Icelandic Travel Industry Association.