

Car Rental Agreement - Terms and Conditions

Obligations of the Renter

- The Renter agrees to the provisions of this Rental Agreement and has received a copy hereof.
- The Renter shall return the vehicle:
 - together with all accessories (including tires and tools) in the same condition as they were received by the Renter, except for normal wear and tear owing to use;
 - on the date specified under the terms of this Agreement, unless otherwise agreed at a later time;
 - to the premises of the Lessor, unless otherwise agreed;
 - with a full tank of fuel. If the vehicle is not returned with a full tank of fuel, the Lessor may charge the Renter for the amount of fuel to fill the fuel tank of plus a 2.000 ISK refuel charge.
 - reasonably clean. e. reasonably clean. If the unreasonably high amount of dirt and trash requires professional cleaning or an extra hour of cleaning crew time, a cleaning fee of EUR 100.- will be charged.
- The Renter shall pay for fuel and other costs needed to operate the vehicle during the period that the Renter is responsible for the vehicle. Within the meaning of this Agreement, this period does not expire until the Lessor has registered the vehicle as received in his system, which registration can only be performed during the office hours of the Lessor.
- If the Renter fails to return the vehicle at the time agreed in this Agreement, or fails to declare his intention to extend the rental period, the Lessor or the police may repossess the vehicle without further notice and at the cost of the Renter. Extended rental is subject to the approval of the Lessor. If the Renter returns the vehicle 1 hour or more after expiry of the Agreement, the Lessor may demand up to a 24-hours' rental charge under the terms hereof. For each day begun thereafter, the Lessor may levy charges pursuant to his tariff. If Renter fails to return the vehicle during business hours, Renter is liable for any damages to the vehicle until the following business day.
- The vehicle shall be handled and driven carefully. Only those registered as authorised drivers on the front page of this Agreement are permitted to drive the vehicle. The Renter is liable for all damages resulting from use of the vehicle that will not be compensated for by the Lessor's insurance company.
- The Renter may not engage in the following activities:
 - off-road driving, such as on tracks and rough trails, beaches, etc.;
 - driving on roads marked F on official maps as well as Kjalvegur (road 35 after Gullfoss waterfall) and Kaldidalur valley (road 550) and to Landmannalaugar (road 208) except when driving the Happy 4x4 vehicle. In the event of violation of the provisions of this sub-paragraph, the Lessor may impose a fine in the amount of the non-deductible liability of the Renter under the tariff of the Lessor at each time. The above provision on fines does not affect the liability of the Renter to pay for damages.
 - driving under the influence of any intoxicant;
 - driving in or across rivers or any kind of water course. This prohibition does not apply to vehicles which the Lessor agrees are suitable for such driving, but such driving is always the responsibility of the Renter, cf. subparagraph (i) of Article 23.
 - use of the vehicle that contravenes Icelandic law and/or the provisions hereof;
 - driving in snowdrifts and ice.
- In the event of a collision or accident, the Renter shall immediately notify the appropriate police authorities as well as the Lessor of the incident, and the Renter shall not leave the scene before the police have arrived. The Renter shall immediately fill out damage reports if damage occurs. If the Renter fails to report damage, he shall be fully liable for it.
- If the Lessor needs to collect the vehicle, or have it collected, owing to a collision or an accident, the Renter shall bear all costs thereof pursuant to the tariff of the Lessor at each time.
- The number of kilometres (km) that the vehicle is driven during the term hereof is determined by reading a normal odometer supplied with the vehicle by the manufacturer. The Renter shall notify the Lessor as soon as possible if the odometer is out of order or stops functioning during the rental period.
- The Renter agrees to pay the Lessor upon request:
 - a deposit amounting to the estimated cost of renting the vehicle;
 - all costs sustained by the Lessor from having to bring the vehicle back to his premises owing to it being left unattended without regard to the condition of the vehicle, roads or weather.
- The Renter may not have repairs performed or modify the vehicle or its accessories, or permit any pledge of the vehicle as security without the prior consent of the Lessor.
- The Renter is liable for all parking meter fines and fines for violations of traffic law.
- The Renter may not use the vehicle to transport passengers against payment, lend it, or sublease it.

Obligations of the Lessor

- The Lessor undertakes to do his utmost to deliver the vehicle at the agreed time and to ensure that it meets the requirements made upon it.
- In the event that the vehicle malfunctions owing to wear or other reasons for which the Renter is not responsible, the Lessor shall supply the Renter with another vehicle as soon as possible or ensure that a repair is completed as soon as possible, at the location specified by the Renter. The above does not affect the payment of the rent or any other charges payable by the Renter hereunder. The Lessor pays no damages in cases such as hereinabove provided, neither for accommodation nor other reasons.
- The Lessor shall acquaint the Renter with the subject matter of this Agreement, in particular the obligations undertaken by the Renter upon signature hereof.
- The Lessor shall make every effort to inform foreign Renters about Icelandic traffic rules, traffic signs and rules regarding the prohibition of off-road driving. In addition, the Lessor shall draw particular attention to the dangers posed by animals on roads.
- If the Lessor wishes to limit the use of the vehicle with regard to its equipment and/or condition, such limits shall be established in writing upon signature hereof.
- The Lessor undertakes to hold professional indemnity insurance at all times.
- The Lessor shall not be responsible for the disappearance of or damage to items that the Renter or any other party stores or transports in the vehicle.

Insurance

- The rental charge includes statutory motor vehicle insurance, i.e. third-party liability insurance and accident insurance for the driver and owners. For each liability and insurance coverage case, Tryggingamidstodin's (TM) policy terms 220 and 230 apply, which can be accessed and reviewed on the Happy Campers website.
- Third-party liability insurance shall consist of the amount stipulated by Icelandic law at any given time. The deductible payable by the Renter in the event of damage to the vehicle shall amount to up to the full value of the vehicle, cf. further specification of personal liability on the front page hereof. **Deductible / self risk is Euro 2.500,- per accident.**
- The (kasko) insurance does not cover:
 - intentional damage or damage owing to gross negligence by the driver;
 - damage resulting from the driver being under the influence of alcohol, stimulants or sedatives or otherwise incapable of controlling the vehicle in a secure manner;
 - damage owing to racing or test driving;
 - damage owing to war, revolution, civil unrest or rioting;
 - damage inflicted by animals;
 - holes burned into seats, carpets or mats;
 - damage affecting only wheels, tyres, suspension, batteries, glass (other than windowpanes), radio receivers or loss by theft of parts of the vehicle and damage resulting therefrom;**
 - damage caused by driving on a rough road, such as damage to the vehicle's transmission, drive or other components in or attached to the chassis; damage to the chassis resulting from the vehicle bottoming on rough roads as a result of ridges left by road graders, stones lodged in the road surface or at the edge of the roadway. The same applies to damage from stones being thrown up and striking the underside of the vehicle during driving.
 - damage resulting from driving in places where the vehicle is not permitted to be driven, such as on tracks, rough trails, in snowdrifts, on ice, across unbridged rivers or streams, on beaches, on causeways accessible only at low tide or in other off-road areas. However, compensation will be paid for damage resulting from the driver being forced to leave the roadway, e.g. for roadside repairs.
 - damage to passenger vehicles that occurs during driving on roads marked F on official maps;
 - damage caused by sand, gravel, ash, pumice or other earth material being blown onto the vehicle;
 - water damage to the vehicle;
 - damage caused by seaspray/seawater if the vehicle is transported by sea;
 - In other respects, reference is made to the general terms and conditions for kasko insurance.
- Gravel Protection insurance (GP) is an optional damage waiver which covers damages to the front windscreen, headlights and the **forward** facing car body when gravel or rocks get thrown at the rental car by another vehicle.

General Provisions

- This Rental Agreement shall be kept in the vehicle at all times during the rental period.
- The vehicle might have a GPS tracker installed for tracking purpose.
- Annexes and amendments to the terms and conditions hereof shall be made in writing.
- The Lessor may debit the bank card or credit card of the Renter for the rental charge and other costs payable by the Renter hereunder, such as payments in respect of damage to the vehicle while in the possession of the Renter. The time of payment and whether it is to be made in lump sum shall be the sole discretion of the Lessor. **This right shall remain unaffected for 6 months following the return of the vehicle to the Lessor.**
- After signing the contract, - there is no possibilities for refund in case of early return or any other reason that may occur.
- The Renter acknowledges by his signature hereon that he has received the vehicle and accessories in good condition.
- Agreements concluded on the basis of the above terms and conditions, including possible claims for compensation that may be made, as applicable, shall be governed by Icelandic law. This applies both to the basis and calculation of compensation. The same applies to claims for compensation based on non-contractual liability. In the event of a dispute arising out of or in connection with this Agreement, the case shall be brought in the venue of the Lessor.
- Disputes between the parties to this Rental Agreement may be submitted to the Appellate Committee of the Consumers' Association of Iceland and the Icelandic Travel Industry Association.

Renter signature _____

Extra driver _____