

Rules on car rental

These rules apply to car rental company authorisation to charge a credit card.

Terms and conditions

Car rental terms and conditions must be shown to the cardholder when booking a service prior to completion of booking/purchase on the Internet. The terms and conditions must be shown in the same window where the booking/purchase is confirmed. It is unauthorised to show terms and conditions in a separate window or at a separate URL. Terms and conditions must also be sent to the cardholder by email with the booking confirmation. Car rental terms and conditions in paper copy must be explained to the cardholder and he must agree by signature on the same page that shows the terms and conditions. If the cardholder accepts the car rental company insurance (CDW), then this insurance must be specifically confirmed by the renter with his initials if the signing of the car rental agreement does not cover this provision.

On commencement of rental

On commencement of a rental, the car rental company may request that the estimated amount of the rental cost be blocked on the credit card. The estimated total amount of the payment authorisation *may not* include costs for self risk or insurance for *possible* damage.

If eventual rental costs exceed the authorised amount, a new application must be made for the difference.

Charge for VISA cardholder damage and self risk

If after a vehicle has been returned it is seen that damage was suffered during the period of the rental and if the cardholder is not present, the car rental company may charge the amount of the damage assessment on having fulfilled certain conditions.

- The cardholder must be informed in writing about damage and estimated costs within 10 days of the return of the vehicle and in the cardholder must furthermore be given 20 days' notice to object before his credit card is charged. Please note that there must be signed agreement by the cardholder of a charge for self risk in the event of possible damage. The cardholder must have accepted the car rental's insurance terms and conditions with his signature on the same page that contains the terms and conditions and with his initials at the appropriate self risk item.
- The following must accompany notification of damage to the cardholder:

- Documentation explaining the damage and showing that the damage occurred during the rental period.
 - A damage report, police report and insurance certificate if appropriate.
 - Two damage estimates from separate approved workshops and the lower estimate shall apply.
 - Statement of the share to be paid by the cardholder against that of the insurance for damage and the reasons for this.
 - Information to the cardholder that payment of damage with the cardholder's card is optional and that he has the option of paying damage in another manner.
- **Written consent from the cardholder is always required for charging damage to the card.**
 - Charging for damage is a separate charge from the charge for rental or rental costs.
 - That authorisation has been requested for the amount of the damage estimate or for the amount agreed to by the cardholder. The amount of the charge for damage shall not be higher than the amount agreed to by the cardholder, nor higher than the assessed value of the vehicle if it is considered a write-off.
 - The card must be charged for damages within 90 days calendar days of the rental return date.
 - If actual costs for the damage prove to be lower than the amount for which the cardholder was charged, the car rental company is obliged to repay the cardholder the difference within 30 days.

Charge for MasterCard cardholder damage

If after a vehicle has been returned it is seen that damage was suffered during the period of the rental and if the cardholder is not present, the car rental company may charge the amount of the damage assessment on having fulfilled certain conditions.

- **Written agreement by the cardholder is always required for charging damage subsequent to damage assessment having been made, such as a signed payment receipt or a liability declaration (a signature on a car rental agreement which contains provisions on charging possible damage does not fulfil the conditions for written agreement for the charging of damage).**
- Charging for damage is a separate charge from the charge for rental or rental costs.
- The share to be paid by the cardholder against that of the damage insurance and the reasons for this, must be specified.

- That authorisation has been requested for the amount of the damage estimate or for the amount agreed to by the cardholder. The amount of the charge for damage shall not be higher than the amount agreed to by the cardholder, nor higher than the assessed value of the vehicle if it is considered a write-off.
- The card must be charged for damage within 90 calendar days of the rental return date.
- If actual costs for the damage prove to be lower than the amount for which the cardholder was charged, the car rental company is obliged to repay the cardholder the difference within 30 days.

Other accrued costs

It is authorised to charge the following costs to a cardholder's card after the return of a vehicle:

- Road tolls
- Traffic infringements
- Stop sign infringements
- Fuel

If Valitor requests documents relating to a charge at a later date, e.g. for a stop infringement fine, the car rental company shall provide/send documents from the authority in question, including the registration number of the vehicle, time and location of the infringement, amount and currency. The car rental company shall process the sales slip after the event and write "signature on file" on the signature line.

It is unauthorised to charge the cardholder a handling fee for the above cost.

Cardholder objection to charge for damage

If Valitor receives an objection from a cardholder related to damage, the car rental company is obliged to send Valitor a copy of the following documents on request:

- A signed rental agreement and a final agreement.
- Estimate for damage from approved workshop (two approved workshops in the case of VISA cards).

- Police report if appropriate.
- Car rental insurance certificate if the car rental company demands that the cardholder pay self risk in connection with the damage.
- Car rental terms and conditions.
- Written agreement of cardholder for charging damage to the card. In the case of MasterCard there must be agreement subsequent to a damage estimate having been made, such as a declaration of liability or a signed payment receipt. In the case of Visa cards it must be demonstrated that the cardholder was sent a notification of damage along with the appropriate documents specified here above, if there is no cardholder agreement subsequent to the event for charging damage.
- Transaction slip.
- Other important documentation.

If a cardholder objects to a charge to a card for damage where the above specified rules have not been followed, the car rental company can expect the charge for damage to be reversed. In such an instance, the car rental company will need to collect the damage in another manner. It is the responsibility of the car rental company that the rental agreement fulfils requirements of a court, as in some instances this is the only measure to which the car rental company can resort to collect damage to a rental vehicle.

Please contact Valitor Chargeback Department endurkrofur@valitor.is for further information.

The above specified rules are based on Visa and MasterCard rules which are subject to amendment after publishing.

Rules published 27.5.2016.

Valitor hf.