

Rules on car rental

These following rules apply to car rental companies and their 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.

Information about proper disclosure of a refund/return/cancellation policy is available here: <https://www.valitor.is/wp-content/uploads/2019/09/afbokaniren.pdf>

Car rental terms and conditions in paper copy must be explained to the cardholder and he must agree by his 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 authorisation request 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 the damage and it's estimated costs within 10 days of the return of the vehicle and the cardholder must furthermore be given 20 days' notice to object before his credit card is charged. Please note that there must be a 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 for the damage in another manner.
- **Written consent from the cardholder is always required to charge for damages to the card.**
- Charging for damage is a separate charge from the charge for rental or rental costs.
- That the authorisation is requested, after the damage has occurred, for the amount of the estimated damage, or for the amount which has been agreed to by the cardholder. The amount of the charge for damage must 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 calendar days of the rental return date.
- If actual costs for the damages prove to be lower than the amount for which the cardholder was charged, then the car rental company is obliged to repay the cardholder the difference within 30 days.

Charge for American Express and MasterCard cardholder damage

If after a vehicle has been returned it is seen that damages were 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 and 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). See an example of a liability declaration on our website: <https://www.valitor.is/adrar-upplysingar/eydublod-leidbeiningar/>**
- 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, after the damage has occurred, for the amount of the estimated damage, or for the amount which has been 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 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.
- An **American Express card** must be charged for damage within 90 calendar days of the rental return date.
- A **Mastercard card** must be charged for damage within 30 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 authorities 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.

An **American Express card and Visa card** must be charged for above mentioned costs within 90 calendar days of the rental return date.

A **Mastercard card** must be charged for above mentioned costs within 30 calendar days of the date on the notification from the authorities.

A handling fee for the above cost may be charged, but it must be specified in the merchant's rental agreement and accepted by the cardholder with a signature.

Cardholder objection to a charge for damage

If Valitor receives an objection from a cardholder in relation to a damage, then 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 a damage repair from an approved workshop (two approved workshops in the case of VISA cards).
- Police report if applicable.
- 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, (showing signature/initials of cardholder).
- Signed agreement by the cardholder, authorizing the charge for the damage to be posted to the card. In case of American Express and MasterCard cards there must also be an agreement subsequent to an estimated damage having been made, such as a declaration of liability and a signed payment receipt. In the case of Visa cards it must be demonstrated that the cardholder was sent a notification of the damage, within 10 days of the return of the vehicle, along with the appropriate documents specified here above, if there is no cardholder agreement subsequent to the event for charging a damage.
- Transaction slip.

- Other important and applicable 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 the damage to be reversed. In such an instance, the car rental company will need to collect the damage by other means. 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 innlendarendurkrofur@valitor.is for further information.

The above specified rules are based on American Express, Mastercard and Visa regulations and are subject to amendments after publishing.

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