



Special rules by Mastercard on car rentals

Initially, when a car is rented, a car rental may seek authorisation for the estimated rental amount on the renter's card. The authorisation is valid throughout the rental period. The estimated total amount of the authorisation request may not include costs for deductibles or possible damages. If the final amount exceeds the authorised amount, a new authorisation must be requested for the difference.

Charges for damages and deductibles

If, when a car is returned, it has been damaged during the rental period, the car rental may charge the card holder for the amount of the damage assessment if the following requirements have been met:

- › The debit transaction in relation to the damages is separate from the transaction for the car rental or rental cost.
- › **NEW** The card holder has approved, in writing, the debit transaction of the damage amount, such as with a signed card-read payment receipt. The signing of a rental agreement with a provision reserving the right of the car rental to charge a card holder does not meet the requirements on written approval for charging the cost of damages.

If the actual cost relating to the damages turns out to be lower than what the card holder was charged, the car rental must repay the difference to the card holder within 30 days.

Objections to a card transaction

In the event of a reimbursement claim or enquiry as regards a charge for damages,, the car rental must send Borgun a copy of the following documents:

- › A signed rental agreement in addition to the final agreement
- › A damage assessment from a certified garage
- › A police report, if appropriate
- › Card holder's approval for charging the damages
- › Transaction receipt
- › The car rental's terms and conditions

Terms and conditions

The car rental's terms and conditions must be shown to the card holder when he/she is booking a service prior to completing a booking/purchase online. The terms and conditions must be shown in the same window as the booking/purchase is confirmed. Terms and conditions may not be shown in a separate window or url. The terms and conditions must also be sent to the card holder by email with the booking confirmation. A car rental's terms and conditions in paper must be presented to the card holder, and the card holder must approve it with his/her signature on the same page as the terms and conditions are outlined.

If a card holder approves the car rental's collision damages waiver (CDW), the insurance must be verified specifically by the renter with his/her initials as a signature on the rental agreement does not apply to this provision.

Rental agreements

A car rental is responsible for ensuring that its agreements meet the requirements of judicial authorities as in some cases that is the only option available to a car rental to collect cost in relation to damages of a rental car.

If further information is needed, please contact our service centre by phone +354 560 1600 or email us at borgun@borgun.is

The aforementioned points are based on rules from Mastercard and may be subject to change after this letter has been issued.

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Best regards,
Borgun's employees