Landsbankinn Credit Card
Rental Car Insurance

Terms F-25

Customers of Landsbankinn who hold a valid Platinum Card, Premium Card, Business Card, or Premium Business Card are covered by insurance under these Terms.

This insurance is governed by the Insurance Contracts Act No. 30/2004, save where these Terms or other provisions of the insurance contract provide otherwise.

Rental Car Insurance comprises Collision Damage Waiver (Casco) Insurance and Supplementary Liability Insurance.

The main components of the insurance and the maximum compensation and deductible are:

Benefit	Maximum Amount	Deductible
Collision Damage Waiver (Casco)	USD 50,000	ISK 25,000
Supplementary Liability	USD 1,000,000	

Definitions

The following words and phrases have the following meanings in these Terms:

Rental Car: means any car rented under a contract, for one or more days or weeks, from a car rental company or its agent holding all requisite authorisation from the relevant authorities in the country, state, or municipality concerned.
Rental Agreement: means the contract entered into by the insured for the rental of a rental car from an approved car rental company or an approved agency holding the requisite authorisation from the relevant authorities.
Country of Residence: means the country where the insured has a) their legal domicile, b) residence for study or work purposes, or c) resided continuously for at least 180 days.
The Company: means Vörður tryggingar hf.
Cardholder: a person who holds a valid Platinum Card, Premium Card, Business Card, or Premium Business Card.
Credit Card: means a card issued by Landsbankinn.
Rental Period: means the period during which the rental car is rented and the insured acquires lawful temporary custody and control of it, and which ends at the moment the rental company takes it back, whether at its place of business or elsewhere.
Bodily Injury: means bodily harm or illness, including death resulting therefrom.
Property Damage: means physical damage to, or destruction of, tangible property occurring during the insurance period, including loss of use of property.
Insured: means the person entitled to claim compensation, or who is covered by the insurance in the event of a loss. This means the holder of a Platinum Card, Premium Card, Business Card, or Premium Business Card who is registered as a driver of the rental car, as well as other

registered drivers of the rental car who are one of the following: the cardholder's spouse, cohabiting partner, children, parents, parents-in-law, or siblings.
Insurance Benefits: means the amounts paid according to repair invoices, settlement agreements, or a court judgment.
Insurance Period: means the period specified in the rental agreement, covering the period during which the insured has the rental car in their possession. The first day of the rental period must fall within the insurance period for this insurance to apply, and the insurance never applies to a rental period lasting longer than 31 consecutive days.
Supplementary Liability Insurance: means this insurance, which takes effect once claims for damages that may be imposed on the insured exceed the sums insured and deductibles of the rental car's statutory liability insurance and/or other similar liability insurance taken out by the car rental company.

Chapter 1. Collision Damage Waiver (Casco) Insurance for the Rental Car

Art. 1 Provisions on Validity

a. The cardholder is covered by insurance under these Terms for as long as their credit card is valid and an agreement on the insurance is in force between the Company and Landsbankinn.

b. Where the cardholder holds a valid Platinum Card, Premium Card, Business Card, or Premium Business Card, the Company shall compensate the insured persons named in the rental agreement and covered under the tenant's card for damage that may occur to the rental car for which they are liable under the terms of the rental agreement.

c. The insurance applies only to rentals of up to 31 days within a 90-day travel period.

d. The insurance under this part of the Terms is provided in respect of the rental of one rental car in each individual case.

e. The insurance covers only rental cars owned by a car rental company holding the requisite authorisation.

f. Where insurance is purchased from the car rental company, the Company pays the difference between the deductible under that insurance and the deductible under this insurance, where the latter is lower.

g. The insurance provisions under these Terms are neither broader nor narrower than would have applied under LDW insurance (Loss Damage Waiver) or other comparable insurance offered by the car rental company to which the rental car in question belongs.

h. The insured drivers of the rental car are the holder of a Platinum Card, Premium Card, Business Card, or Premium Business Card, as well as drivers connected to the cardholder: spouse, cohabiting partner, children, parents, parents-in-law, and siblings. Under the Business Card and Premium Business Card, a client or business colleague accompanying the cardholder is also insured. Insured drivers must be listed on the rental agreement, and the first person named must be the holder of a Platinum Card, Premium Card, Business Card, or Premium Business Card. Insured drivers must hold a valid driving licence.

This insurance does not apply in Iceland, Russia, and the former Soviet republics (excluding the Baltic states) and Africa (excluding South Africa), nor within the cardholder's country of residence.

Art. 2 What does the insurance cover?

The Company pays compensation for:

a. damage to the vehicle itself and its normal accessories caused by lightning, fire, explosion, collision, being struck by another vehicle, rollover, and leaving the road.

b. theft of, and vandalism to, the vehicle.

Art. 3 What is not covered by the insurance?

The Company does not pay compensation where:

a. the rental car is rented by someone other than the cardholder.

b. the insured has not obtained the right to drive the vehicle in question, or has lost the right to drive it.

c. damage has been caused intentionally; where damage is caused by the gross negligence of the insured, the Company is released from liability in whole or in part.

d. damage occurs due to racing, driving competitions, test driving, or practice for such driving, or when driving on racetracks, even where no competition is taking place.

e. driving occurs where it is prohibited to drive the vehicle, or driving takes place other than on the country's roads, such as on fields, meadows, snowdrifts, ice, over unbridged rivers or streams, on beaches, mudflats, cart tracks, and/or other roadless terrain. However, damage occurring where the driver has been forced to leave the roadway, for example due to road repairs, is covered.

f. the use of the vehicle breaches the terms of the rental agreement and the provisions of these insurance Terms.

g. damage results from a material defect, design defect, manufacturing defect, repair defect, or breakdown of the vehicle; however, damage to other parts of the vehicle resulting from these causes is covered where it involves being struck by another vehicle, collision, rollover, or leaving the road.

h. damage results from normal wear and tear or inadequate maintenance of the rental car.

i. damage is caused by war (whether declared or not), civil war, riots, unrest, confiscation or nationalisation of property, requisition, destruction of or damage to the rental car by or under the order of any national or local government or authority, industrial action, or other similar events.

j. the damage is of any kind caused by nuclear energy, ionising radiation, and radioactive substances.

k. damage is caused by insects or pests.

l. the damage results from any fraudulent, dishonest, or criminal act committed by the insured or a person connected with them.

m. the matter concerns costs incurred, refused, or paid by the car rental company or its insurers.

n. the claim relates to a factory defect and/or manufacturing damage.

o. damage results from driving by persons not named in the rental agreement and who do not otherwise satisfy the conditions to be insured.

Art. 4 Notification of Loss – Measures Following a Loss

a. Where any loss occurs relating to the rental car or its use, the insured shall notify the Company as soon as reasonably possible.

b. Where a loss has occurred, or there is an immediate risk that one will occur, the insured shall attempt to avert or reduce the loss. The insured shall also take measures to secure the Company's right of recovery where the insured is entitled to compensation from a third party. Where possible, the insured shall give the Company the opportunity to inspect and assess the damage before repairs commence or the damaged items are disposed of. Failure by the insured to comply with these obligations may result in a reduction or loss of insurance cover under the Insurance Contracts Act.

c. The cardholder is responsible for settling with the relevant car rental company and shall then send the receipt to the Company, together with any relevant documentation.

Art. 5 Determination of Liability

No person may admit liability on behalf of Vörður without the prior written consent of the Company or its partners, nor give any undertaking of commitments on its behalf. The Company shall have the unrestricted right to conduct proceedings, direct, and settle any matters that may arise from, or in connection with, claims against the insured.

Art. 6 Excluded Risk

Where the insured causes an insured event through:

Intent: Where the insured has intentionally caused an insured event to occur, the Company bears no liability, cf. Article 27(1) of Act No. 30/2004.

Gross Negligence: Where the insured has, through gross negligence, caused an insured event to occur, or its consequences to become more severe than they would otherwise have been, the Company's liability may be reduced or extinguished, cf. Article 27(2) of Act No. 30/2004. In assessing whether conduct constitutes gross negligence, regard shall be had, among other things, to whether the insured was considered unable to operate the vehicle safely, or was unfit to do so under the provisions of the Traffic Act due to the prior consumption of alcohol, narcotics, or stimulant or sedative substances.

Art. 7 Insurance Period

The insurance takes effect from the moment the insured acquires lawful temporary custody and control of the rental car, and ends at the moment the car rental company takes it back, whether at its place of business or elsewhere. However, the insurance applies only to rentals of 31 days or less.

Art. 8 Sum Insured

The Company pays compensation of up to USD 50,000 (or the equivalent in the currency of the country concerned).

Art. 9 Deductible

The insured bears a deductible of ISK 25,000 per loss.

Art. 10 Assignment of Rights – Right of Recourse

The policyholder may not, without the Company's consent, assign or pledge its rights under the insurance contract. Where the Company compensates a loss for which a third party bears liability, it shall acquire the insured's rights against that party to the extent of the compensation paid.

All claims based on this insurance shall be governed by Icelandic law, and Icelandic courts alone shall have jurisdiction over any dispute that may arise under this insurance.

Art. 11 Vehicles Not Covered by This Insurance

The insurance does not cover the rental of especially high-performance vehicles, such as Aston Martin, Ferrari, Porsche, McLaren, Lamborghini, and similar makes, nor vehicles more than 20 years old or that have not been manufactured for 10 years or more.

The insurance also does not cover the rental of certain vehicles, namely trucks, vans, tractors, any type of construction machinery, trailers and caravans, motorhomes, motorcycles, pedal-assist bicycles, light motorcycles/mopeds, off-road vehicles, and recreational vehicles.

Chapter 2. Supplementary Liability Insurance for the Rental Car

Art. 12 Provisions on Validity

a. Where the cardholder holds a valid Platinum Card, Premium Card, Business Card, or Premium Business Card, the Company shall compensate any claim for damages for which insured persons named in the rental agreement may become liable to a third party, as drivers of the rental car during the rental period.

b. This insurance takes effect once claims for damages that may be imposed on the insured exceed the sums insured and deductibles of the rental car's statutory liability insurance and/or other similar liability insurance taken out by the car rental company.

c. The insurance applies only to rentals of up to 31 days within a 90-day travel period.

d. The provisions of this insurance are under no circumstances broader than the insurance included in the rental agreement.

e. The insured drivers of the rental car are the holder of a Platinum Card, Premium Card, Business Card, or Premium Business Card, as well as drivers connected to the cardholder: spouse, cohabiting partner, children, parents, parents-in-law, and siblings. Under the Business Card and Premium Business Card, a client or business colleague accompanying the cardholder is also insured. Insured drivers must be listed on the rental agreement, and the first person named must be the holder of a Platinum Card, Premium Card, Business Card, or Premium Business Card. Insured drivers must hold a valid driving licence.

This insurance does not apply in Iceland, Russia, and the former Soviet republics (excluding the Baltic states) and Africa (excluding South Africa), nor within the cardholder's country of residence.

Art. 13 Sum Insured

The Company pays up to USD 1,000,000 in excess damages.

Art. 14 Scope of Cover

This insurance is a supplementary liability insurance and provides the same cover as the rental car's statutory liability insurance, or other similar liability insurance taken out by the car rental company.

It is a condition for compensation under this insurance that the insured under the rental car's statutory liability insurance, or other insured persons providing similar liability cover for the car rental company, have admitted liability or have been held liable to pay a claim for damages that has been made. This insurance then takes effect where the statutory liability insurance, or other similar liability insurance, cannot pay the claim for damages in full because the sum insured has been exhausted, in which case this insurance pays the difference, up to the maximum specified in Art. 2 above.

The insurance applies separately to each insured person against whom a claim is made or legal proceedings commenced, except that the involvement of more than one insured person shall not result in an increase in the sum insured specified in Art. 13.

Art. 15 Insurance Period

The insurance takes effect from the moment the insured acquires lawful temporary custody and control of the rental car, and ends at the moment the car rental company takes it back, whether at its place of business or elsewhere. However, the insurance applies only to rentals of 31 days or less.

Art. 16 Costs, Charges, and Expenses

Where the insured is entitled to cover under another insurance policy, such as the rental car's statutory liability insurance or other similar insurance, the Company reserves the right, without being obliged to do so, to participate in the defence and direction of any claim or legal proceedings in which the Company might reasonably be expected to have an interest under the provisions of these Terms.

All expenses relating to the investigation and defence of claims covered by this insurance, including legal costs, security provided for appeal, and interest accruing before and after judgment is rendered, shall not count towards the limits of this insurance.

Art. 17 Excluded Risks

In addition to the excluded risks contained in the rental agreement, this insurance does not cover:

a. liability that the insured is required to bear under legislation on uninsured motorists, or legislation relating to no-fault driver liability, and legislation on accidents suffered by persons affected by such losses, or any other similar legislation. By taking out this insurance, the cardholder agrees that they act on their own behalf and on behalf of all other persons who may be co-insured under this insurance. The insured further waives, to the extent permitted by law, any claim that the insurance provides cover that might otherwise be required under any such legislation. This exclusion does not, however, apply to damages, up to a total of USD 100,000, that the insured and co-insured persons are entitled to recover under the provisions of the insurance covering an uninsured or underinsured motorist, or an accident where the party at fault flees the scene.
b. bodily injury or property damage suffered by persons insured under this insurance, or, to the extent permitted by law in the state where the rental agreement is signed, bodily

injury or property damage suffered by any individual related to the insured by blood, marriage, or adoption and residing under the same roof.

c. an award of damages that is punitive or exemplary in nature.

d. any obligations for which the insured may be held liable under workers' compensation legislation, occupational disease legislation, unemployment benefit legislation, disability benefit legislation, or similar legislation.

e. bodily injury or property damage resulting from the discharge, release, sudden leakage, or seepage of any oil, petroleum products or derivatives, grease, smoke, vapour, soot, any harmful or toxic substance, liquid or gas, or other irritant or pollutant, into or onto soil, the atmosphere, or any watercourse, lake, or wetland, including but not limited to hazardous substances in groundwater, subsoil, or anything contained therein. This exclusion also applies to any resulting clean-up costs and any bodily injury or property damage arising from or connected with any of the foregoing. This provision does not, however, apply where:

    - a tank or similar container holding a pollutant is overturned, tipped over, or damaged due to the use of the insured rental car; or
    - such overturning or damage to the vehicle causes the release, discharge, or sudden leakage of a pollutant.

f. liability of the insured arising directly or indirectly from, occurring due to, or resulting from war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or other seizure of power, confiscation or nationalisation of property, requisition, or destruction of or damage to property by or under the order of any national or local government or authority.

g. bodily injury or property damage arising from the transport, storage, handling, distribution, sale, or disposal of asbestos materials, goods, or products containing asbestos.

h. bodily injury or property damage arising from the manufacture, handling, distribution, sale, application, consumption, or use of any products known to contain polychlorinated biphenyls, or derivatives thereof, or which are generally known in the chemical industry to be based on a similar formula or function, regardless of the name under which such products are manufactured, sold, or distributed.

i. bodily injury or property damage caused by the hazardous properties of substances or nuclear materials where:

    - any person or institution is required to maintain financial security in respect thereof under the U.S. Atomic Energy Act of 1954, or any amendments thereto; or
    - the insured has, or would have, had this insurance not been issued, a right to compensation from the United States of America, or any agency thereof, under a contract entered into by the United States or any of its government agencies with any person or institution.

j. the Company does not provide cover to any insured person who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss.

k. the Company does not provide cover to any insured person who intentionally causes bodily injury or property damage.

l. cover is provided only in respect of the rental of one vehicle in each individual case, which may be driven and operated by any of the persons eligible to be insured as specified in the rental agreement, provided that the first person named as a driver is the holder of a Platinum Card, Premium Card, Business Card, or Premium Business Card. The insurance takes effect from the moment the insured acquires lawful temporary custody and control of the rental car, and ends at the moment the car rental company takes it back, whether at its place of business or elsewhere. Liability under this insurance is limited to the liability the insured would have been covered for had they purchased supplementary liability insurance, or other similar insurance, from the car rental company.

Art. 18 Conditions

a. **Consent of the Insured**. By accepting supplementary liability insurance in the rental agreement, the insured waives, on their own behalf and on behalf of other insured persons, their right to cover under this insurance.

b. **Claims Against the Company**. A claim against the Company is not considered valid unless the insured has fully complied with all the terms of the insurance. Compensation is payable only where it has been determined by a court judgment or by the written agreement of the insured, the claimant, and the Company. The maximum compensation is limited to the sum insured under this insurance. The Company's obligation to settle or defend ends once the sum insured has been paid in full. The Company is under no obligation to defend any action or settle any claim for bodily injury or property damage not covered by this insurance. No person or institution has any right under this insurance to join the Company as a direct party to any legal action against the insured to determine their liability for damages, nor may the insured or their legal representative join the Company to such proceedings. The insolvency or bankruptcy of the insured, or the insured's estate, does not in any way alter the Company's obligations under this insurance.

c. **Appeals.** Where the insured chooses not to appeal a court judgment in which the amount claimed exceeds the sum insured under the rental car's statutory liability insurance or other similar insurance, the Company may do so at its own expense, and shall then bear any taxable costs, disbursements, and interest that may accrue. However, the Company's liability shall in no case exceed the amount specified in this insurance for any one event, plus any taxable costs, disbursements, and interest accruing as a result of such an appeal.

d. **Assignment**. An assignment of interests under this insurance shall not bind the Company unless its consent is endorsed thereon in writing.

e. **Assistance and Cooperation of the Insured**. The insured shall cooperate with the Company in the investigation, settlement, or defence of any claim or legal proceedings.

f. **Bankruptcy and Insolvency**. The insolvency or financial incapacity of the insured neither increases the amounts the Company would otherwise have had to pay, nor does this insurance provide any addition to a reduced amount of compensation that may be available due to the insolvency or financial incapacity of the insured.

g. **Amendments**. Notice to, or knowledge held by, any agent or other person shall neither affect the waiver or amendment of any part of this insurance, nor prevent the Company from acquiring new rights under the insurance, and the terms of the insurance may not be waived or amended except by an endorsement forming part of this insurance and signed by an authorised representative of the Company.

h. **Notification of Loss.** Where an event occurs causing bodily injury or property damage that could reasonably be expected to give rise to a claim under this insurance, the loss shall be reported to the Company as soon as reasonably possible. Such notification is in addition to any other obligations the insured may have under the rental car's statutory liability insurance or other similar insurance taken out by the car rental company. Such notification shall provide clear information about the insured and such information as may reasonably be obtained having regard to the time, location, and circumstances of the loss event. The insured shall likewise notify the Company of any claim or legal proceedings that may be brought against them arising from such an event, and shall provide all related documents and materials. Should the insured knowingly withhold information from the Company concerning such a claim or legal proceedings, or fail to provide relevant documents, such conduct may result in the loss of cover under this insurance.

i. **Separation of Interests**. The insurance applies separately to each insured person against whom a claim is made or legal proceedings commenced, except that the involvement of more than one insured person shall not result in an increase in the Company's liability limit under Art. 2 of this insurance.

j. **Subrogation.** Where the Company compensates a loss under this insurance, it shall acquire all of the insured's rights of recovery connected with such payment, against any person or institution, and the insured shall execute and deliver such instruments and documents, and do whatever else may be necessary, to secure such rights. The insured shall do nothing after a loss event that could prejudice such rights. Any recoveries collected or received after settlement of a loss under this insurance shall be applied as though they had been recovered or received before such settlement, with all necessary adjustments then made between the insured and the Company.

Chapter 3. General Provisions

Art. 19 Payment of Compensation and Interest

Payment of compensation may be demanded 14 days after the Company has had the opportunity to obtain the information necessary to assess the insured event and determine the amount of compensation. The insured is entitled to interest on their claim under Article 50 of Act No. 30/2004.

Art. 20 Time Limit for Reporting Loss – Limitation Period

The insured forfeits the right to compensation if:

a. they fail to notify the Company of their claim within one year of becoming aware of the event on which it is based.
b. they have not brought legal proceedings, or requested that the matter be handled by the Insurance Complaints Committee, within one year of receiving written notice that their claim has been rejected, cf. Article 51 or Article 124 of Act No. 30/2004.

Art. 21 Handling of Disputes and Venue

Should a dispute arise concerning the insurance, it shall be settled by an Icelandic court under Icelandic law, unless otherwise required by international agreements binding on Iceland.

Disputes concerning the insurance contract, and otherwise concerning the Company's liability, may be referred to the Insurance Companies' Claims Committee (Tjónanefnd tryggingarfélaganna) and the Insurance Complaints Committee. Information on these committees and their procedures is available from the Company.

Notwithstanding the remedy provided for in paragraph 2, the parties may bring the dispute before the courts.

Art. 22 Domicile and Venue

The domicile and venue of the Company is Reykjavík. Any proceedings that may arise in connection with this insurance shall be conducted before the Reykjavík District Court. Should a dispute arise concerning the insurance, including where a claim for compensation involves Icelandic interests, it shall be settled by an Icelandic court under Icelandic law.

These Terms are effective from 1 May 2024.