

GENERAL RENTAL TERMS**(Applicable for private automobiles and light trucks up to 3,5 tons)****Approved by BURF (the Swedish Rental Car Association – SRCA)****After conferring with the Swedish Consumer Agency 1996****1. Use of the vehicle**

The vehicle may be utilized for normal use within Sweden by the person renting the vehicle (lessee) or with his consent and at his responsibility by a person belonging to his family. Special permission must be obtained from the rental firm for a third person to drive the vehicle. The lessee is responsible for ascertaining that the driver of the vehicle has a driver's license. Should the lessee wish to use the vehicle outside Sweden he may do so upon written permission granted by the rental firm.

The lessee is aware that his right of disposal under the rental agreement ceases forthwith if he endeavours to take the vehicle out of Sweden without the rental firm's written permission. The police/customs or other party acting on behalf of the rental company is then entitled to seize and hold the vehicle.

The lessee is liable for all expenses that may be incurred by the rental firm as a result of the lessee unlawfully having taken the vehicle outside Sweden.

The lessee may not rent it out to a third party. Transporting of persons or goods is the vehicle for compensation is not permitted. The vehicle may not be used for pulling, pushing or otherwise moving some other vehicle. Neither may the vehicle be used in automobile races.

2. Rental charges and payment delay

The rental charge for the vehicle is stated on the first page of the agreement. The lessee is liable for payment of the rental charges. In the event that the rental charge is to be paid by a party other than the lessee, e.g. be invoiced a legal person, the lessee is still jointly and severally liable for payment of the said rental charge. The rental firm is entitled to request a deposit or advance payment of rent. The rental charge does not include fuel costs. When invoicing, the rental firm is entitled to debit a credit charge of SEK 50 including VAT. Penalty interest is payable at a rate corresponding to the official discount rate at the time as stipulated by the Central Bank of Sweden, plus 8 percent in the event of failure to pay the rental charge by the expiry date and in pertinent cases a reminder fee of SEK 50 incl. VAT.

3. Late delivery or no delivery

The rental firm shall supply the vehicle at the agreed time. If the rental firm is unable to fulfil this requirement the lessee shall be entitled to a reduction of the rental charge equivalent to the delay or, if the delay is of vital significance to him, he shall be entitled to cancel the agreement. The lessee is also entitled to compensation for substantiated damage suffered as a result of the delay.

The lessee shall not be entitled to cancel the agreement if the rental firm immediately, and with negligible inconvenience to the lessee, offers him another acceptable vehicle.

The rental firm shall not be liable to pay damages if it can be shown that the delay was caused by circumstances beyond his control which he could not reasonably be expected to have foreseen when the agreement was entered into and the consequences of which he could not reasonably have avoided or overcome.

Compensation is not payable for loss of business.

4. Maintenance of the vehicle

The lessee shall be responsible for ensuring that the vehicle is properly maintained and that it is kept in functioning and statutory condition. If the vehicle is driven further than 5.000 km, the lessee shall ensure that the prescribed service inspections are performed by a workshop authorized for the make of vehicle concerned and that such service is entered in the service book. The rental firm shall advise the lessee of the mileage indication at which such service inspection shall be performed. The cost of the service inspection shall be repaid by the rental firm.

The rental firm shall be entitled to inspect the vehicle during the rental period if there is a reason to assume that the ownership is in jeopardy or that there is considerable risk of the value of the vehicle decreasing more than what would be the consequence of normal use.

5. Measures to be taken in case of faults, damage or theft

The lessee shall as soon as possible inform the rental firm of any fault or damage to the vehicle or of theft during the rental period. Upon receiving such information the rental firm shall advise the lessee of the measures to be taken. However, the lessee may, without informing the rental firm, have any repairs performed that may be necessary to enable the

vehicle to be driven, provided that the cost does not exceed SEK 1.250 incl. VAT.

The cost of repair shall be repaid by the rental firm unless the lessee is liable for such cost under Clause 8. The lessee must be able to substantiate his expenditure by receipts or in some other satisfactory manner.

In the case of matters falling under the insurance the lessee shall as soon as possible submit a notification of damage to the rental firm. In case of theft of the vehicle or damage caused by an unknown person, it is incumbent upon the lessee to file a report with the police in the town where the theft/damage occurred and send a copy of the report to the rental firm. Should the lessee neglect to do so he shall be liable for any ensuing damage to the rental firm.

6. Liability of the rental firm in case of breakdown or damage

The rental firm shall ensure that the vehicle is in working order and in a condition as required by law. If, during the rental period, any faults or breakdowns occur as a result of the condition of the vehicle, the lessee shall be entitled to cancel the agreement. However, the agreement may not be cancelled if, without unreasonable delay after notification of the fault, the rental firm has the vehicle repaired or supplies a replacement vehicle of the same or similar type and provided that the lessee has no valid reason to reject such an offer. The lessee is furthermore entitled to compensation for any substantiated damage he has suffered as a result of fault. The lessee shall always be able to verify his expenses. Compensation is not payable for loss of business.

If a breakdown occurs as a result of a road accident or damage to the vehicle making continued travel impossible, or in case of theft, the agreement shall be deemed cancelled when the rental firm has been contacted and, in the case of theft, a report has been filed with the police.

7. Liability of lessee in case of violation of traffic or parking regulations

The lessee shall be liable for any economic sanctions falling on the rental firm in capacity of owner of the vehicle as result of violation of traffic or parking regulations. However, this is not applicable if the violation is caused by deficiencies on the vehicle of which the lessee was unaware and could not have been expected to be aware. If the lessee does not in due time pay fines or charges arising out of violations for which he is responsible, and the rental firm as owner of the vehicle is forced to pay them, the rental firm shall be entitled to debit the lessee, in addition to the fines or charges, a service fee of SEK 200 incl. VAT for each violation.

8. Liability of the lessee to compensate and responsibility in case of damage or loss of vehicle.

The lessee is liable to the rental firm for ensuring that the vehicle is not damaged or lost during the rental period. The lessee is exempted from liability if the damage or loss is caused by deficiencies in the rented vehicle or if he is otherwise able to make it probable that the damage or loss was caused by negligence on his part.

The lessee shall pay compensation to the rental firm for damage for which he is liable as specified (reduced excess within brackets): damage to vehicle SEK 10.000 (SEK 3.750), traffic insurance franchise SEK 5.000 (SEK 2.500), theft /burglary SEK 3.750 (SEK 2.500), theft with key SEK market value (SEK 30.000), fire damage SEK 3.750 (SEK 1.500), glass/ tire/rim damage SEK 2.500 (SEK 1.500), towing and rescue if the damage is not covered by another insurance benefit SEK 2.500 (SEK 2.500). In case of own negligence will an extra traffic insurance excess be charged.

In case of damage to the vehicle vertically will an extra excess of SEK 5.000 VAT incl. be charged.

In case of damage to the vehicle the lessee is entitled, as an alternative, to compensate the rental firm according to the above and, upon agreement with the rental firm, to have the damage competently remedied at his own expense. If then rests with the lessee to pay rental charges until the car has been repaired and restored to the rental firm.

Against a special charge (reduced compensation), the amount of which is stated on the first page of this agreement, the lessee can reduce his obligation to compensate damage for each damage section. After such reduction the lessee's obligation to pay damage is limited to the amount incl. VAT is specified above in brackets in each section, respectively.

If the driver is under the age of 24 years and has caused traffic accident damage a "youth franchise" is payable in the amount of SEK 1.500 VAT included, in excess of what is specified above and irrespective if the lessee has signed a reduced compensation agreement. Upon utilization of the vehicle's legal expenses insurance the lessee is charged the

franchise pursuant to the insurance company's conditions irrespective if a reduced compensation agreement has been signed by the lessee or not.

The reduced compensation is not applicable if the lessee uses the vehicle outside Sweden. If the rental firm has granted permission for use of the vehicle in some other country, reduced compensation applies also to the foreign country/countries.

The reduced compensation does not cover the obligation to compensate damages if the vehicle is stolen by means of a key.

For the reduced compensation to apply, the lessee must fulfil normal obligations when damage occurs, e.g. immediately submit a notification of damage to the rental firm. In case of parking damage or if the driver of the other vehicle has left the scene of the accident, filling of report with the police is required and if possible also of statement of witness(es).

The signing of reduced compensation agreement does not release the lessee from liability for costs of repairs of damage which has ensued by negligence, e.g. careless loading of the car, stained or torned upholstery, broken controls and similar.

If when returned the vehicle is found to be mismanaged and dirtied in excess of what ensues from normal use, the rental firm is entitled to charge reasonable compensation for the cost of restoring the vehicle to its former condition.

9. Limitation of damage

It is incumbent upon both the lessee and the rental firm to take reasonable measures to limit the damage likely to be suffered. Failure to do so will result in the party concerned having to bear a corresponding part of the loss.

10. Return of the vehicle

Upon expiry of the rental period the lessee shall return the vehicle to the place where it was collected, or to a place agreed upon.

The lessee shall be entitled to return the vehicle before the expiry of the agreed period. The vehicle shall be returned in the same condition as upon collection, apart from deterioration resulting from normal wear and tear. If possible the rental firm and the lessee shall inspect the vehicle together in order to assess its condition.

The vehicle shall be returned during the normal opening hours of the rental firm, unless otherwise agreed. Failure to return the vehicle in accordance with the agreement will oblige the lessee to reimburse rental firm for costs necessitated by returning the vehicle to a place where it can be utilized by the rental firm. In case of delayed return of the vehicle which is not referable to the rental firm's liability pursuant to Section 6, the lessee is also obliged to pay additional rental charges in accordance with the agreement. The rental firm is not entitled to exercise its rights concerning late return of a vehicle if failure to return the vehicle or to requested extended rental period is due to death, serious illness or other similar circumstance. It is a criminal offence to use the vehicle after the expiry of the rental period.

11. The rental firm's right to rescind the agreement etc.

The rental firm is entitled to rescind the agreement if

- a) the lessee does not fulfil his payment undertakings to the rental firm and does not make payment within reasonable time after receipt of the rental firm's reminder,
- b) the vehicle is subjected to abnormal driving or is neglected to such an extent as to cause considerable risk of reduction in value,
- c) in other respects the lessee disregards provisions in this agreement the observance of which is of essential significance to the rental firm.

12. BURF's information list

Lessees (and/or drivers) acting in violation of the above terms or in any other way causing loss or damage to the rental firm will be reported as a matter of routine on BURF's information list. The list is distributed to car rental firms which are members of BURF, with recommendation to not rent out vehicles to the persons listed.