TERMS AND CONDITIONS OF RENTAL AGREEMENT

Definitions

Agreement: All terms and conditions outlined in this contract, including any addendums and additional materials provided at the time of rental. "You" and "your" refer to the person identified as the renter in this rental contract, anyone signing this agreement, any authorized driver, and any individual or organization to whom charges are billed by us at the renter's direction. All individuals referred to as "you" and "your" are jointly and severally bound by this rental contract. "We," "our," or "us" refers to Payless Used Car Sales, LLC and Alaska Car & RV Rentals, as stated in this rental contract.

Authorized Drivers: Drivers approved and listed in this rental contract who comply with the rental and driving laws of the State of Alaska and have provided us with a valid driver's license.

Lessor: The rental company providing the vehicle.

Lessee (Renter): The individual or entity renting the vehicle.

Vehicle: The automobile listed in this rental contract and any substitute, including all tires, tools, accessories, equipment, vehicle keys, propane tanks and vehicle documents.

Physical Damage: Any damage to or loss of the vehicle resulting from a collision, accident, theft, vandalism, riot, civil disturbance, hail, flood, or fire. This includes damage to the interior or exterior of the vehicle, such as burns, scratches, or any condition affecting the vehicle's appearance or mechanical condition.

Loss of Use: Calculated by multiplying the number of days from the date of the damage until the vehicle is repaired by the daily rental rate.

1. Driver

The vehicle may only be operated by:

- The renter; or
- Qualified licensed drivers over 25 years old with the renter's permission who are:
 - Members of the renter's immediate family and permanently reside in the renter's household, or
 - o The employer, partner, or an executive officer of the renter; or
- Qualified licensed drivers over 21 years old whose names appear on the contract.

2. Rental Period

- Starts on the date and time specified in the rental agreement and ends when the vehicle is returned to the designated location.
- Late returns may incur additional fees

3. Rental Fees and Payment

The renter agrees to pay:

- Rental charges, security deposit, taxes, and applicable fees at the time of rental.
- Additional fees for:
 - Late returns

- Additional mileage
- Damage or contract violations
- o Fuel or Propane if returned with less than the original level
- o Cleaning if returned excessively dirty
- Loss of or damage to the vehicle, including administrative fees, loss of value, and loss of use
- o Towing, fines, penalties, and court costs
- Vehicle abandonment recovery fees
- o Any collection costs and attorney fees

4. Vehicle Use and Restrictions

The vehicle must not be used for:

- Illegal activities, racing, off-road driving, or towing.
- Transporting hazardous materials.
- Carrying more passengers or cargo than the rated capacity.
- Driving under the influence of drugs, alcohol, or illegal substances.
- Driving on prohibited roads without written permission.
- Transporting unrestrained passengers or children without proper safety seats.
- Operating with low fluids or mechanical issues.
- Any reckless, negligent, or unauthorized activity.

5. Insurance and Liability

- The renter must provide valid insurance for the rental period unless purchasing coverage from the lessor.
- The renter is liable for all damage, loss, or theft unless covered by insurance.
- In case of an accident, the renter must notify the lessor immediately and provide a police report if required.
- The renter's insurance will be **primary**.
- Where required by law, we provide only the **minimum excess coverage**.

6. Fuel & Propane Policy

- Return the vehicle with the same fuel level as rented.
- If the fuel level is lower upon return, a refueling charge will apply consisting of:
 - o The actual cost of the fuel needed to restore the original level, plus
 - o A \$10 inconvenience fee.
- For RVs, propane tanks must also be returned at the same level as rented.
 - o If propane is not refilled, we will charge based on usage at \$20 for each one-third (1/3) of the propane tank used.

7. Mileage Policy

- Rental includes a mileage limit stated in the contract.
- Excess mileage is charged \$0.45 per mile.

8. Maintenance and Repairs

- Return the vehicle in the same condition, excluding normal wear.
- Renter is responsible for repair costs due to negligence or misuse.

9. Breakdown and Roadside Assistance

- Report any breakdowns immediately.
- Roadside assistance may incur charges depending on circumstances.

10. Return of Vehicle

- Return on the specified date, time, and location.
- Late returns may result in additional charges or legal action.

11. Security Deposit

- A security deposit may be required.
- Refunded after inspection minus applicable charges.

12. Traffic Violations and Tolls

- The renter is responsible for all violations and tolls during the rental.
- Unpaid tickets incur a \$65 fee per citation plus processing fees.

13. Termination and Early Return

- The lessor may terminate the agreement for any violations.
- No refunds for early returns unless specified.

14. Indemnification

• The renter agrees to indemnify and hold the lessor harmless from any claims, damages, or liabilities arising from vehicle use

15. Modifications

- No changes to this agreement are valid unless in writing and signed by the lessor.
- Rental extensions require inspection and a written amendment.

16. Governing Law

- Governed by the laws of the State of Alaska.
- Disputes resolved in Alaska courts.

17. Miscellaneous

- No waiver of any breach constitutes a waiver of any other breach.
- We are not responsible for loss or damage to personal property left in the vehicle.
- Unauthorized drivers are a willful breach of the agreement.

18. Entire Agreement

This document represents the complete understanding between the parties and supersedes all prior agreements.