

OPTIONAL RENTAL PROTECTION PLAN TERMS AND CONDITIONS

1. **CUSTOMER RESPONSIBILITIES.** Pursuant to the terms of the Rental Out Contract (the “**Contract**”), Customer is, and shall remain fully responsible for all item(s) of equipment (the “**Equipment**”) rented to Customer from Ahern Rentals, Inc. (“**Lessor**”), including, but not limited to, all losses, damages, theft, destruction, rental charges, and all other costs and expenses incurred by Lessor until the Equipment is repaired, restored, or replaced.

2. **INSURANCE.** Further to the terms of the Rental Out Contract, the Customer is responsible to secure and maintain the following insurance in effect during the Rental Period as such term is defined in the Contract: a) general liability insurance with limits no less than \$1,000,000 each occurrence and \$2,000,000 aggregate; b) property insurance against damage and/or loss by all risks to Equipment rented to the Customer in amount to cover the full replacement value of the Equipment; and c) workers compensation coverage and employers liability coverage on a primary basis for worker’s compensation benefits incurred or claimed by Customer’s agent’s employees and representatives. All insurance set forth herein shall be primary, non-contributory, and name Lessor as additional insured. Upon Lessor’s request, Customer shall provide Lessor with evidence of such coverage. To the extent Lessor carries any insurance, Lessor’s insurance shall be excess insurance and shall not contribute with Customer’s insurance.

3. **OPTIONAL RENTAL PROTECTION PLAN (“RPP”).** In the event proof of property insurance coverage is not provided to Lessor, or if such proof of property insurance contains amounts that are inadequate to cover Equipment rented to Customer at any time, Customer agrees to purchase the RPP for the specific item(s) of Equipment rented to Customer where proof of property insurance is not provided or is inadequate.

4. **DEDUCTIBLE.** Provided that all CONDITIONS as set forth in Section 5 herein are satisfied, and no EXCLUSIONS set forth in Section 6 herein apply, Lessor shall waive certain property damage claims against Customer for stolen, damaged, or destroyed Equipment that is covered by the RPP (the “**RPP Equipment**”), subject, however, to the following: Customer shall be liable to Lessor for a deductible amount equal to (a) 10% of Lessor’s cost to repair damaged RPP Equipment, or \$5,000, whichever is lesser; and (b) 10% of the original equipment cost of the RPP Equipment to replace stolen or destroyed RPP Equipment, or \$5,000, whichever is lesser. **LESSOR SHALL RETAIN ALL SALVAGE VALUE AND/OR OWNERSHIP RIGHTS TO THE RPP EQUIPMENT AT ALL TIMES.**

5. **CONDITIONS.** In order for the RPP to apply, Customer must satisfy the following CONDITIONS:
 - A. Customer pays the RPP fee equal to 15% of the gross rental rate for the RPP Equipment.
 - B. Customer notifies Lessor in writing of any stolen, damaged, or destroyed RPP Equipment within one (1) business day of discovery.
 - C. Customer provides Lessor with documentary evidence supporting the theft, damage, or destruction, as applicable, including, without limitation, filing and delivering to Lessor a police report other filing with the applicable public authorities within one (1) business day with respect thereto.
 - D. Customer is not in breach of the Contract or any other contract or invoice with Lessor, including, without limitation, paying all amounts due and owing to Lessor under the Contract or any other contract or invoice with Lessor.

- E. Customer is not in violation of any common law, federal, provincial, municipal, or other local laws, orders, rules, regulations, or decisions of any regulatory body, or any manufacturer's instructions or warnings.

6. EXCLUSIONS. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE FOLLOWING EXCLUSIONS SHALL NOT BE COVERED UNDER THE RPP, AND CUSTOMER SHALL REMAIN FULLY LIABLE FOR ALL LOSS OR DAMAGE TO RPP EQUIPMENT RESULTING FROM THE FOLLOWING:

- A. Cranes and vehicles that are licensed for road use are not covered by the RPP.
- B. Neglect, willful misconduct, abuse, gross negligence, misuse, negligence, improper use, and/or wrongful application of the RPP Equipment.
- C. Use, possession, and/or operation of the RPP Equipment by a person other than the Customer or Customer's authorized employees or operators.
- D. Overloading, exceeding rated capacity or speed limit, improper or lack of routine inspection, overturning, and/or striking overhead objects.
- E. Failure to properly secure the RPP Equipment, as determined solely by Lessor, including, without limitation, leaving the ignition key or similar accessible by unauthorized persons while the RPP Equipment is unattended, or storing the RPP Equipment in an unsecure location.
- F. Mysterious disappearance, loss, vandalism, or wrongful conversion by or from any person, including one entrusted with the RPP Equipment, unless Customer files (and delivers to Lessor) a police report or other filing with the applicable public authorities within one (1) business day after discovery.
- G. Customer's failure to pay and all amounts due and owing to Lessor at any time.
- H. Customer's violation of any of the terms of the Contract, any other contract or invoice with Lessor, and/or any common law, federal, provincial, municipal, or other local laws, orders, rules, regulations, or decisions of any regulatory body, or any manufacturer's instructions or warnings.
- I. Exposure and/or contamination with or from radioactive, contaminated, hazardous, toxic, explosive, or corrosive materials or substances.

THE RPP IS OPTIONAL, AND IS NOT INSURANCE, NOR IS IT A WARRANTY. ADDITIONALLY, THE RPP DOES NOT RELIEVE CUSTOMER OF THE INSURANCE REQUIREMENTS, RISK OF LOSS, INDEMNIFICATION OBLIGATIONS, AND/OR OTHER CUSTOMER RESPONSIBILITIES, REPRESENTATIONS, AND OBLIGATIONS IN THE CONTRACT. THE RPP DOES NOT PROTECT CUSTOMER FROM LIABILITY TO LESSOR OR OTHERS ARISING OUT OF CUSTOMER'S USE, POSSESSION, STORAGE, OR OPERATION OF THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, PERSONAL INJURY OR DEATH.