

RPP - Rental Protection Plan

ADDENDUM TO CONTRACT TERMS & CONDITIONS.

In consideration of Local Rental Solutions Ltd. "LRS" granting the credit requested, the Customer agrees to the following terms and conditions.

You, the renter, are responsible at your own expense to provide sufficient all risk physical damage coverage to protect this equipment against loss, damage or destruction to its full value while in your possession.

Charge account applicants who accept the Rental Protection Plan "RPP" will have an additional charge of 12% on the rental cost added to their invoice to activate RPP.

Charge account applicants who decline RPP the applicant will provide necessary insurance adding Local Rental Solutions Ltd to their insurance policy as a "loss payee" as specified in RPP plan. The Certificate Holder shall read, "Local Rental Solutions Ltd. and its' Subsidiaries" and shall be named as Additional Insured on the General Liability, provided on an insurance policy endorsement ISO CG 20 10, and named as First Loss Payee on the Inland Marine policy. General Liability occurrence form minimum coverage Limit: \$5,000,000, Auto Liability: \$5,000,000, Contractor's Equipment Inland Marine All Risk/Special Form – Replacement Cost with Maximum Deductible: \$2500.00. Written notice of cancellation is required.

Rental Protection Plan,

If you accept the RPP it means the rental dealer and their equipment Insurer will waive their right to seek reimbursement from you in the event of loss or damage to the rented equipment while in your possession, subject to a 15% or \$1000 renter deductible, and the terms and conditions of the rental dealer's insurance coverage as outlined below. You, the renter, are required to meet the restrictions and conditions of the rental protection plan for the RPP to remain in full effect until the rented equipment is returned into the possession of the rental dealer. Please note that legal liability coverage for bodily injury, death or property damage of others that may occur while the rental equipment is in your possession is not provided by this RPP.

PHYSICAL DAMAGE INSURANCE - Perils Covered: All risks of direct physical loss of or damage to the property insured including General Average and Salvage charges except as hereinafter excluded.

EXCLUSIONS - We will not waive our right of reimbursement from you for

- Loss or damage to equipment valued at or under \$2000.
- Loss or damage caused by gross negligence or willful misconduct, abuse, neglect, abandonment, improper use, sinking or submersion in mud or water;
- Loss or damage occasioned by (1) the weight of the load exceeding the manufacturer's designed capacity of any machine, (2) wear, tear or loss or damage incidental to actual operation;
- Loss or damage caused by mechanical breakdown; nor against damage to electrical apparatus caused by electricity whether artificial or natural, unless fire ensues and then only for loss or damage by such ensuing fire;
- Loss or damage to property while located underground, or while operating over muskeg, or after it has become a permanent part of any structure;
- Loss or damage caused by any blasting or dynamiting operation conducted by or under the control of the Renter.
- Loss or damage directly or indirectly caused by explosion originating within the following if owned and/or operated by the Renter namely, steam boilers, pipes, fly-wheels, engines, and machinery connected therewith and operated thereby;
- Loss or damage that occurs while any work is being performed upon the property unless fire or explosion ensues and then only for direct loss or damage caused by such ensuing fire and explosion;
- Loss or damage caused by or resulting from dampness or dryness of atmosphere, extremes or changes of temperature, freezing, heating, breakage of glass or similar fragile materials, marring, scratching, crushing, rust, corrosion, unless such loss or damage to the property insured is caused directly by fire, lightening, windstorm, explosion, strike, riot, or civil commotion, collapse of bridges or culverts, collision, upset or overturn, or theft;

- Loss or damage to Crane or Derrick Boom(s) while being operated unless directly caused by fire, lightning, hail, windstorm, explosion, riot, riot attending a strike, civil commotion, vandalism, theft, aircraft, other vehicles, landslide or overturning of the unit of which it is a part;
- Loss, damage or expense resulting from misappropriation, secretion, conversion, infidelity, or any dishonest act of anyone to whom the insured property may be entrusted or rented;
- Loss or damage caused by the ingestion or the drawing in of any foreign object, rocks, dirt, trash or any other material that causes damage to the property insured;
- Loss or damage caused by war or any act of war, whether or not declared; any act of terrorism; activities and accidents of war or terrorism, related directly or indirectly to service in the armed forces of any country; riot or civil insurrection;
- Loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up". Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- Clean Up means the removal, containment, treatment, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.
- Cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".
- Loss or damage caused directly or indirectly by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal, or manufactured;
- Loss or damage caused directly or indirectly by contamination by radioactive material.
- Loss or damage to tires, tubes and/or tracks unless the loss or damage is coincident with other loss or damage insured by this policy.
- Against loss, damage or expenses caused by or arising out of delay.
- Inventory shortage or unexplained disappearance.
- Loss or damage except by fire while the insured property is being waterborne.
- Use of the equipment by unqualified operator.

GENERAL PROVISIONS

- We will not waive our right of reimbursement if the Renter has collected the same from others.
- In case of loss or damage to any part of a machine, or any other article consisting, when complete for sale or use, of several parts, we will only waive our right of reimbursement for the insured value of the part lost or damaged, including the cost of installation.
- We will not waive our right of reimbursement unless the Renter, upon knowledge of any occurrence likely to give rise to claim hereunder, shall give immediate notice to the Rental Dealer.
- For the purposes of this LDW, it is hereby agreed that all direct losses caused by any person or persons taking part in riots, strikes, lockouts, labour disturbances, civil commotions, vandalism or malicious mischief and/or explosion during each period of forty- eight hours shall be considered as having been caused by an event but ensuing fire (if any) regardless of the time during which it may continue shall be regarded as part of the same event as the occurrence which gave rise to it
- Where the loss is due to malicious acts, burglary, robbery, theft, or attempted theft, or is suspected to be so due, we will not waive our right of reimbursement unless the Renter provides immediate notice to the police or other authorities having jurisdiction.
- In the case of loss of or damage to any article or articles, which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.
- It is the duty of the Renter and we will not waive our right of reimbursement in the event that any property insured hereunder is lost and the Renter does not take all reasonable steps in and about the recovery of such property.