

## Damage Waiver: Terms and Conditions

### 1. CUSTOMER'S GENERAL RESPONSIBILITY

Under the Hometown Equipment Rental ("HER") Agreement (Agreement), the Customer renting the Equipment (as that term is defined in the Rental Agreement) is responsible to HER for any loss or damage to the Equipment and for its return in the same condition in which received, except for ordinary wear and tear. Such responsibility shall amount to the replacement or repair cost of the Equipment at the time it is lost or damaged, plus an administrative fee and HER related expenses, such as loss of use, appraisal fees or costs of recovery. In the event that the Customer is responsible for damage to the Equipment, such Equipment may be repaired either by HER or a repairer of HER's choosing. The cost of labor for such repairs shall be, at HER's election, either HER's then prevailing hourly rate for labor as posted at the HER location where the Equipment is to be repaired, or the hourly labor rate that the repair facility charges to HER. The Customer will be charged for parts at the prevailing list price established by the manufacturer or supplier involved or as charged to HER by the supplier or repair facility.

### 2. PROOF OF INSURANCE

As a precondition of renting Equipment (other than licensed for road use) from HER, Customer must produce evidence of insurance in accordance with the Rental Agreement, or Customer shall be required to purchase the Damage Waiver, which is **NOT INSURANCE**. The charge for the Damage Waiver shall be equal to 15 percent of the rental amount.

As a precondition of renting vehicles licensed for road use from HER, Customer must produce evidence of insurance in accordance with the Rental Agreement. In the event the Customer elects to purchase the Damage Waiver in addition to the Customer's own insurance, then the charge for the Damage Waiver will be 15 percent of the rental amount.

### 3. WAIVER

If the Customer purchases the Damage Waiver, and if the Equipment is used in compliance with this plan, then HER agrees to waive, to the extent specified herein and in the Rental Agreement, its right to hold Customer liable for any damages greater than 25 percent of the Equipment's replacement cost.

### 4. WAIVER EXCEPTIONS

NOT WITHSTANDING THE CUSTOMER'S PAYMENT OF THE DAMAGE WAIVER CHARGE, THE CUSTOMER WILL BE LIABLE TO HOMETOWN EQUIPMENT RENTAL FOR ALL LOSS OF OR DAMAGE TO THE EQUIPMENT AND RELATED EXPENSES INCURRED BY HER, resulting from any of the following circumstances:

- a. The use or operation of the Equipment without HER permission, or in a manner that would constitute a default under the Rental Agreement.
- b. The failure of the Customer to perform or pay for all normal periodic and other required or recommended service, adjustments and lubrication of the Equipment.
- c. Negligent, reckless, or abusive use or operation of, or intentional damage to the Equipment while the Equipment is under the care or control of the Customer (e.g., Equipment rollover or upset, striking an overhead object with the Equipment, altering the Equipment for use in a manner for which it was not designed, coming in contact with an overhead electric power line).
- d. The use or operation of the Equipment with a load exceeding the manufacturer's rated capacity, or as a result of improper loading, unloading, or transportation of the Equipment.
- e. All loss or damage associated with vandalism, malicious mischief, disappearance, theft or conversion of the Equipment, not documented by the Customer's filing a formal written report with the applicable public authorities (with an immediate copy to HER) within 48 hours of the event.
- f. Customer's failure to properly secure the Equipment by leaving the keys in the Equipment and/or by making it available to any unauthorized and/or untrained operator, or by not reasonably restricting access to the Equipment.
- g. Damage that occurs while Customer uses, allows the use of, or directs another party to use the Equipment in the commission of a crime.
- h. Customer's failure to notify HER within 48 hours of an accident that has resulted in loss or damage to the Equipment.
- i. Customer provides misleading or false information to rent the Equipment.
- j. The Equipment is used by an operator while under the influence of an intoxicant or other illegal or controlled substance.

### 5. SUBROGATION

If Customer purchases the Damage Waiver, and then HER will be subrogated to any right of the Customer to recover against any person, firm or corporation. Customer will execute and deliver any instruments and papers that are required and do whatever else is necessary to secure such rights. Customer will cooperate fully with HER and/or its insurer(s) in the prosecution of those rights and will neither take nor permit any action to prejudice HER's rights with respect thereto.