

### **REDUCED RISK OF EQUIPMENT LOSS OPTION**

As used herein, "Atlas Copco" means Atlas Copco Rental LLC. "Customer" means the entity renting any compressor and/or other equipment (collectively, "Equipment") from Atlas Copco. The Atlas Copco Rental Terms and Conditions apply to any Equipment rental between Customer and Atlas Copco.

IF CUSTOMER FAILS TO PROVIDE A CERTIFICATE OF INSURANCE FOR THE EQUIPMENT AT THE TIME THE EQUIPMENT IS RENTED, CUSTOMER WILL BE DEEMED TO HAVE ELECTED THE REDUCED RISK OF EQUIPMENT LOSS OPTION ("RRELO") AND AGREES TO PAY THE ADDITIONAL CHARGES FOR THE RRELO IN ACCORDANCE WITH THE TERMS SET FORTH HEREIN. THE RRELO CHARGES (IF APPLICABLE) WILL BE CHARGED ON THE RENTAL INVOICES. THE TOTAL CHARGES FOR THE RRELO WILL BE EQUAL TO 14% (FOURTEEN PERCENT) OF THE TOTAL RENTAL CHARGES. CUSTOMER IS FULLY RESPONSIBLE FOR THE LOSS OF OR DAMAGE TO THE EQUIPMENT SUBJECT TO THE TERMS AND CONDITIONS OF THE RRELO PLAN HEREIN.

If Customer is charged RRELO charges by Atlas Copco and Customer duly pays for those RRELO charges, Customer's responsibility for loss of or damage to the Equipment will be limited to fifteen (15%) of the repair or replacement cost of the Equipment, subject to the waiver exceptions set forth below. **NOTWITHSTANDING CUSTOMER'S PAYMENT OF THE RRELO CHARGES, CUSTOMER WILL BE LIABLE TO ATLAS COPCO FOR ALL LOSS OF OR DAMAGE TO THE EQUIPMENT AND RELATED EXPENSES INCURRED BY ATLAS COPCO RESULTING FROM ANY OF THE FOLLOWING CIRCUMSTANCES:**

- a) The use or operation of the Equipment without Atlas Copco's permission, or in a manner that would constitute a default under these Rental Terms.
- b) The failure of 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 (including but not limited to Equipment rollover or upset, altering the Equipment for use in a manner for which it was not designed, or 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 Customer's filing a formal written report with the applicable public authorities (with an immediate copy to Atlas Copco) within 24 hours of the event.
- f) Customer's failure to properly secure 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 Atlas Copco within 24 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.
- k) Customer's failure to pay all invoices including the RRELO within Atlas Copco's payment terms.

Notwithstanding the foregoing, in the event of any default by Customer under the Atlas Copco Rental Terms and Conditions, the RRELO will be void, and Customer shall be liable for the full replacement value and related expenses for all loss or damage to Equipment. The RRELO benefit will only be available if ALL valid charges are paid in full.

It is expressly acknowledged that Atlas Copco will be subrogated to any right of Customer to recover against any person, firm, corporation, or other entity. 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 Atlas Copco and/or its insurer(s) in the prosecution of those rights and will neither take nor permit any action to prejudice Atlas Copco's rights with respect thereto. Any waiver of such right of subrogation voids the RRELO benefit.

Notwithstanding anything else, it is expressly acknowledged and understood that Atlas Copco reserves the right to not rent the Equipment to Customer if Customer fails to provide a certificate of insurance for the Equipment at the time the Equipment is rented.

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#### **Atlas Copco Rental North America**

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