



PENNSYLVANIA

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 Clarion (814) 226-4100
 Clearfield (814) 765-5311
 Somerset (814) 443-2867
 Cambridge Springs (814) 398-8819

NEW YORK

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 Rochester (585) 254-2125
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 Olean (716) 372-8822

WEST VIRGINIA

Charleston (304) 756-2800
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HEADQUARTERS

1000 Washington Pike
 Bridgeville, PA 15017
 (412) 343-2300

ANDERSON EQUIPMENT COMPANY – RENTAL EQUIPMENT DAMAGE WAIVER POLICIES

1. **LEASE:** Anderson Equipment Company or Anderson Equipment Company (NY) (“Lessor”) is engaged in the leasing of construction equipment (also referred as renting), including all parts of and accessories to such equipment (“Equipment”), to its customers (“Lessees”). An agreement between the Lessor and Lessee is hence referred to as “Lease”. Per the terms and conditions of each Lease, the Lessee has agreed to pay the Lessor a specified rate(s) and other charges for the use of the Equipment (“Lease Charges”).
2. **TERM:** Leases commence on the “date out” date on the Lease agreement (“Commencement Date”) and shall continue until the Equipment is returned, unless otherwise agreed in writing by Lessor, to the Lessor’s location from which the Lease originated. If the Equipment is returned in an unusable condition, the term continues until Lessor is able to restore the Equipment to a usable-rentable condition.
3. **INSURANCE:** To protect Lessor from any claims arising out of the rental or operation of the Equipment, Lessee agrees to be the absolute insurer of the Equipment during the term of this Lease. Lessee agrees during the full term and any renewal of this Lease and while in transit to and from Lessee and until safely returned to Lessor to keep the Equipment fully insured and to pay all insurance premiums, at its expense. Lessee agrees to obtain and maintain comprehensive general liability coverage with the minimum limits of (a) \$1,000,000 per person and \$1,000,000 per occurrence for personal injury (including death) and (b) “all risk” physical damage coverage on the Equipment for not less than the total replacement value of the Equipment as of the Commencement Date of the Lease (unless Lessee purchases the Damage Waiver defined below). Both policies must name Lessor as an additional insured and shall waive rights of recovery and subrogation against each other. All policies shall be endorsed specifically to provide that the coverage required under this Lease will be primary and that any insurance carried by Lessor shall be excess and noncontributory. Lessee shall promptly furnish Lessor with certificates of such insurance satisfactory to Lessor. Lessee shall promptly notify Lessor of any changes or cancellations of said insurance coverage and immediately obtain substitute comprehensive general liability coverage and “all risk” physical damage coverage per the above requirements. The duty of establishing any requisite safeguards for the full protection of Lessor against all risks shall be solely Lessee’s. The proceeds of any insurance shall, at Lessor’s option, be applied to the replacement or the repair of the Equipment or in reduction of Lessee’s obligations due or to become due under this Lease. In the event of any loss or damage, Lessor will be subrogated to Lessee’s rights to recover against any person, firm or corporation. Lessee will execute and deliver instruments and papers and take all actions necessary to secure such rights. Lessee will cooperate fully with Lessor or its insurers in the prosecution of those rights and will not take any action to prejudice Lessor’s rights.
4. **DAMAGE WAIVER:** If the Lessee does not have sufficient “all risk” physical damage coverage, Lessee may elect to purchase a Damage Waiver from Anderson. If the Equipment is used in compliance with this Lease and if Lessor offers and Lessee accepts a Damage Waiver (“DW”), which is **NOT INSURANCE**, at the beginning of the Lease, and pays all Lease Charges and additional charges for the DW when due, the Lessee shall not be required to reimburse Lessor for loss of or damage to the Equipment, except for the first \$1,000 (or such other amount as may be specified on the DW) of loss or damage to any single item of Equipment from any cause. **NOTWITHSTANDING THE FOREGOING, LESSEE SHALL REMAIN FULLY LIABLE FOR ALL LOSS OF AND DAMAGE TO EQUIPMENT RESULTING FROM:**
 - A) Mysterious disappearance
 - B) Neglect, misuse, wrong application, or abuse of the Equipment
 - C) Sinking of the Equipment into mud or water
 - D) Submersion of the Equipment in mud or water above the tracks (in the case of track machines) or above the tires (in the case of tire machines)
 - E) Use of the Equipment in demolition activities
 - F) Tire damage
 - G) All loss and damage associated with vandalism, malicious mischief, theft or conversion of the Equipment, not documented by Lessee’s prompt filing with the applicable public authorities (with an immediate written copy forwarded to Lessor) of a formal written theft, vandalism or conversion report
 - H) All loss of or damage to the Equipment resulting from any exposure to radioactive, contaminated or other hazardous materials
 - I) Boom damage from overloading of a boom or from a collision when a boom is in motion
 - J) All loss of or damage to the Equipment associated with the Equipment’s rollover or upset
 - K) Use or operation of the Equipment by a person other than an Authorized Operator as defined herein
 - L) Use or operation of the Equipment in violation of any law or ordinance
 - M) The failure of Lessee to perform the basic maintenance required under the terms of this Lease
 - N) Any other failure of Lessee to comply with the terms and conditions of this Lease.

The DW, if elected by Lessee, does not apply in any way to damage to person or property other than the Equipment damage specifically set forth in this section. If Lessee elects to take the DW and Lessor consents to such election, Lessee shall pay Lessor an additional Lease Charge as solely determined by the Lessor. Lessee acknowledges the DW does not provide liability insurance. LESSEE IS RESPONSIBLE FOR PROVIDING ITS OWN COMPREHENSIVE GENERAL LIABILITY COVERAGE AS SET FORTH IN SECTION 11.

BY SIGNING BELOW, LESSEE SPECIFICALLY ACKNOWLEDGES THAT IT HAS READ AND AGREES TO THE ABOVE TERMS AND CONDITIONS RELATED TO ANDERSON EQUIPMENT DAMAGE WAIVER:

LESSEE: _____ PRINT NAME AND TITLE: _____

DATE: _____