

# RENTAL EQUIPMENT PROTECTION (REP)

What Is Rental Equipment Protection? REP is the coverage Cashman Equipment provides to our customers in order to reduce their risk. It limits your risk in relation to both destruction and damages of the equipment you rent from Cashman Rental. Account customers may opt out of this program if proof of insurance is provided.

## WHAT DOES IT COVER?

- Physical Damage Risks Coverage on rental equipment includes:
- Fire
  - Theft
  - Vandalism
    - A police report or fire report will be required on any of these claims.
  - Accidental damage, such as:
    - Collision damage (to the rented equipment ONLY)
    - Equipment roll over
    - Hail damage
    - Impact damage (collision, equipment driven over)
    - Failure due to fluid leakage (engine fails because radiator hose breaks)
    - Engine over-speeds
    - Body damage

## WHAT DOESN'T IT COVER?

- This is not liability insurance.
- The customer is still responsible for liability coverage through their corporate policy or homeowners' policy. No carrier will cover the liability for a third party.
- Liability coverage for the cash customer should be covered by their personal/homeowners' policy.
  - Account customers should be covered for liability by their general liability policy.
- REP does not cover:
- Lack of maintenance
    - e.g., Running low on oil because of extended service intervals
    - e.g., Not cleaning concrete products like mixers, trowels, and vibrators
  - Negligence
    - e.g., Not chaining down when hauling
    - e.g., Over-spray on aerial equipment
  - Misuse
  - Glass damage
  - Tire damage
  - Excess undercarriage wear
  - Wear items such as:
    - Bucket Teeth
    - Blades
    - Chains
    - Brushes
  - Manufacturer warranty issues, such as:
    - Mechanical breakdown
    - Latent defect
    - Explosion
- These are covered by the manufacturers' warranty.

## WHERE DOES IT APPLY?

- Customers
- Customers have the option of waiving the coverage by providing proof of insurance coverage from their agent.
  - Proof of insurance consists of:
    - Certificate of property insurance showing specific or blanket rented equipment coverage, or
    - The proof of insurance must be faxed, photocopied, or emailed before the rental contract is closed out.
  - Proof of insurance must be supplied to The Cat Rental Store before rental contract closes or else REP charges will apply.
  - Customers who have provided proof of insurance (discussed above) may still elect to be covered by REP at their discretion.

## HOW MUCH DOES IT COST?

- The cost is 15.25% of the rental charges.
- e.g., On the daily rental rate of \$300 for a mini excavator, the REP charge is \$45.75.
  - e.g., On the weekly rental rate of \$900 for a boom lift, the REP rate is \$137.25.
  - e.g., On the monthly rental rate of \$2500 for a telehandler, the REP rate is \$381.25.
- Deductible
- If the equipment is valued over \$25,000, the deductible is \$2,500.
  - If the equipment is valued under \$24,999, the deductible is \$1,000.
  - If the equipment is valued over \$500,000, email JT Bates for a Quote.
- Certificates@JTBatesGroup.com
- REP does not exempt the customer from payment of damages - it limits their risk.
  - The deductible applies to both damages and repairs, as well as total loss of the unit.
  - In relation to damages and repairs, the lesser of the actual repair cost or the deductible would be charged.
    - e.g., On a \$35,000 236 skid steer which has sustained \$8,000 in damage, the charge would be the deductible of \$2,500, which is less than the actual damage charges.

## WHO NEEDS IT?

- It must be used when customers cannot provide proof of insurance coverage.
- This program is mandatory for all non-account customers (cash).
- Customers who don't want to contact their insurance agent.

## WHY DO I NEED REP?

- Offers higher certainty of coverage & peace of mind
- Provides an option for customers who are able to provide proof of insurance coverage
- Reduces the need to claim something on your own policy & can reduce increases in premiums in the event of a claim
- Easier than contracting your insurance broker with equipment change notices, especially on short-term rentals
- Recommended for the rental of pumps (reduced risk if an oversized object is inhaled)
- Recommended when small equipment is used with larger mobile equipment (drive over risk)