

## POLICY PROVISIONS

Throughout this policy the words "we", "us" or "our" refer to the Company named in the Declarations. The words "you" or "your" refer to the Insured. In addition, certain words or phrases identified by quotation marks are defined in SECTION III - DEFINITIONS.

### SECTION I - CARGO AND TOWING INSURANCE

#### **A. COVERAGE**

We will pay for all direct and accidental loss or damage to an "insured's" "cargo" while transported in or on a covered "truck" during the "coverage period" if caused by fire, windstorm, cyclone, tornado, hail, explosion, flood due to rising water, overturn of "truck", landslide or collision. Our liability will not exceed the maximum limit shown on the Declarations page.

#### **B. WHO IS AN INSURED**

1. The following are "insureds" under this policy:
  - a. A "rentee" who has:
    - (1) Entered into a "rental agreement" with the "Policyholder" or "certificate holder"; and
    - (2) Elected in writing on the "rental agreement" to purchase and has paid for the optional Cargo Coverage.
  - b. Any "family member" of the "rentee" while traveling with the "rentee" during the "coverage period"; and
  - c. Additional drivers expressly authorized by the "policyholder" or "certificate holder" whose names appear on the "rental agreement".
2. NONE of the following are "insureds" under this policy:
  - a. The "policyholder", "certificate holder" or the owner of the "rental vehicle";
  - b. Any employee, agent or "family member" of the "policyholder", "certificate holder", or owner of the rental "truck"; or
  - c. Anyone not specifically defined under paragraph B.1. above.

#### **C. LIMIT OF INSURANCE CARGO**

1. The most we will pay for all direct or accidental loss or damage to "cargo" during the "coverage period" is the lesser of:
  - a. The actual cash value of the damaged "cargo" as of the time of the loss or damage; or
  - b. The cost of repairing or replacing the damaged "cargo" with other property of like kind and quality.
  - c. The limit of insurance shown on the declaration page
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total loss.
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

#### **TOWING**

Regardless of the number of "insureds" or claims made, the most we will pay for any one collision loss is the limit of insurance shown on the declaration page minus the applicable deductible.

#### **D. DEDUCTIBLE**

In any one occurrence of loss or damage to "cargo", we will first reduce the amount of loss by the Deductible shown on the declaration page. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and

will pay the resulting amount or the Limit of Insurance, whichever is less.

#### **E. EXCLUSIONS**

1. We will not pay for loss or damage:
  - a. Caused by ice, snow, seepage, leakage, rain, dampness or moisture of any kind or from any source except as a direct result of a covered peril named under Section I A. Coverage;
  - b. Sustained by 4-wheel, licensed motor vehicles;
  - c. To accounts, bills, jewelry, furs, precious stones, antiques, objects of art, stamps, currency, deeds, evidence of debt, contracts, money, notes, negotiable instruments securities;
  - d. Caused by neglect of the insured to take all reasonable means to save and preserve the "cargo" after any loss insured against;
  - e. Caused by spoilage, discoloration, mold, rust, frost, rot, souring, steam, or changes in flavor, except when the same is the direct result of a covered peril named under Section I A. Coverage;
  - f. Arising out of:
    - (1) Loading or unloading of the "truck";
    - (2) Collision of the "truck" with a towed vehicle;
    - (3) Contact of any article or object being transported with any other object except as a result of collision of the "truck", or overturn of the "truck";
  - g. Due to theft, robbery or mysterious disappearance;
  - h. If:
    - (1) The "insured" or driver of the "truck" steals or converts the "truck";
    - (2) The "insured" or driver uses the "truck" for business or commercial purposes;
    - (3) The "insured" or driver has given a fictitious name or false address to the "policyholder" and/or "certificate holder", its affiliates, their agent, servant or other employee; or
    - (4) The "truck" is otherwise obtained by fraud or misrepresentation;
  - i. War And Military Action
    - (1) War, including undeclared or civil war;
    - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
    - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
  - j. To Animals or Carcasses;
  - k. Arising out of the use, operation, or maintenance of the "truck" when it is in violation of the terms and conditions of the "rental agreement";
  - l. Due to loss of use, delay or other consequential loss;
  - m. Caused by:
    - (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharged, dispersal, release, seepage or escape of "pollutants":
      - (a) That are, or that are contained in any property that is:
        - (i) Being transported or towed by, or handled for movement into, onto or from, the covered "truck";

- (ii) Otherwise in the course of transit by the "insured"; or
- (iii) Being stored, disposed or, treated or processed in or upon the covered "truck".

- (b) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "truck"; or
  - (c) After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "truck" to the place where they are finally disposed or abandoned by the "insured".
- (2) Any loss, cost or expense arising out of any government direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "pollutants".

Paragraph m.(1) (a) (iii) does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "truck" or its parts, if:

- (1) The "pollutants" escape or are discharged, dispersed, seep or released directly from a "truck" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants".

Paragraph m.(1)(a) and (b) of this definition do not apply if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are overturned or damaged as a result of maintenance or use of a covered "truck"; and
- (2) The discharge, dispersal, release, seepage or escape of the "pollutants" is caused directly by such overturn or damage.

### SECTION II - CONDITIONS

#### **A. GENERAL CONDITIONS**

1. PREMIUM: We will compute the premium for this policy on the basis stated in the Declarations. The "policyholder" or "certificate holder" will remit the premium, net of commission, to us monthly, along with summarizing reports as requested by us. The premium will be considered fully earned upon receipt and not subject to refund upon policy cancellation. This premium will be subject to an audit by our representatives.
2. CANCELLATION: We may cancel this policy by delivering to the "policyholder" or "certificate holder" written notice of termination at least ten (10) days before the effective date of such cancellation if canceled for nonpayment of premium; or at least thirty (30) days before the effective date if we cancel for any other reason.
3. CHANGES: This policy together with the "rental agreement" constitutes the entire contract of insurance. No agent has authority to change this policy or waive any of its provisions.
4. COVERAGE TERRITORY: We will cover loss or damage to "cargo" that occur during the "coverage period" within the United States and Canada, but only if it arises from the use of a "truck" which is rented in the United States and returned to the renting location in the United States. The coverage territory does not include Mexico.

5. NO BENEFIT TO BAILEE: We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provisions of this coverage form.
6. CONCEALMENT, MISREPRESENTATION OR FRAUD: This Coverage Form is void in any case of concealment, misrepresentation or fraud by an "insured," a "policyholder" or a "certificate holder" at any time as it relates to the application this Coverage Form, the "rental agreement" or any claim under this Form. It is also void if such person, at any time, intentionally conceals or misrepresents a material fact concerning:
  - a. This Coverage Form;
  - b. The covered "truck";
  - c. Your interest in the covered "truck";
  - d. An interest in "cargo"; or
  - e. A claim under this Coverage Form.
7. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US: If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

**B. LOSS CONDITIONS**

1. NOTICE OF LOSS: In case of loss or damage to covered "cargo", you must do the following:
  - a. Take immediate, reasonable steps to save and preserve the "cargo";
  - b. Give prompt notice to us or our agent;
  - c. Prepare an inventory of lost or damaged personal property showing the quantity, description, actual cash value and amount of loss or damage. Attach all bills, receipts and related documents that support the figures in the inventory;
  - d. As often as reasonably required:
    - (1) Show any and all damaged property;
    - (2) Provide us with records and documents we request and permit us to make copies; and
    - (3) Provide one or more written or recorded statements, including examination(s) under oath and sign and swear to them;
  - e. Send to us, within thirty (30) days after our request, your signed, sworn proof of loss that sets forth, to the best of your knowledge and belief:
    - (1) The time and cause of loss or damage;
    - (2) Other insurance that may cover the loss;
    - (3) Changes in title or occupancy of the property during the term of the "coverage period"; and
    - (4) The inventory of damaged personal property described in paragraph 1.c. above.
2. APPRAISAL: If we and the "insured" do not agree on the amount of loss or damage, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will determine separately the actual cash value and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two appraisers and/or the umpire will be binding. Each party will:
  - a. Pay its chosen appraiser; and
  - b. Pay one half of the expense of the umpire.
3. LEGAL ACTION AGAINST US: No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. The action is brought within one (1) year after the "coverage period" has ended.
4. LOSS PAYMENT: We will not be liable for more than the actual cash value of the property at the time the loss or damage occurs. The loss or damage shall be ascertained or estimated according to such actual cash value with a proper deduction for depreciation. In no event shall the loss or damage exceed what it would cost to repair or replace the same with material of like kind and quality.
5. NON-OWNED PROPERTY: We will make payment for lost or damaged covered property to the owner of property you transport but do not own, but that person must either comply with all conditions of this policy or allow you to act on their behalf in such compliance.

**SECTION III - DEFINITIONS**

- A. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- B. "Cargo" means personal property transported by the "insured".
- C. "Certificate holder" means the person or organization, franchisee, licensee, or association member listed as an additional "policyholder" on a Certificate of Insurance.
- D. "Coverage period" means the period of time the "rental agreement" is in affect for the rental "truck" and the "rentee".
- E. "Family member" means a person related to you by blood, marriage or adoption who is a permanent resident of your household, including a ward or foster child.
- F. "Insured" means the person or organization qualifying as an insured in the WHO IS AN INSURED provision of SECTION I, Part B.
- G. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- H. "Property damage" means damage to or loss of use of tangible property.
- I. "Rental Agency" means the company that owns and rents or leases the "truck".
- J. "Rental agreement" means the rental contract by which the "rentee" rents or leases the rental "truck".
- K. "Rentee" means the person or organization who rents or leases a "truck" from the "rental agency" or "certificate holder".
- L. "Truck" means the motor vehicle other than, a private passenger motor vehicle rented or leased by the "rentee" from the "rental agency" or "certificate holder".
- M. "Vehicle" means land motor vehicle, trailer or semi trailer designed for travel on public roads. Vehicle also means motorcycle, moped, all terrain vehicles, snowmobiles, jet skis, and boats.

**TRUCK CARGO AND TOWING INSURANCE POLICY DECLARATIONS**

Policy No: \_\_\_\_\_ See "Rental Agreement"

Carrier: Empire Fire and Marine Insurance Company  
13810 FNB Parkway, P.O. Box 542003  
Omaha, Nebraska 68154-8003

Item 1.	"Insured" ("Rentee" of "Truck") The "Rentee" shown in the referenced "Rental Agreement"										
Item 2.	"Rental Agency" The Rental Company shown in referenced "Rental Agreement"										
Item 3.	Coverage Period: Duration of "Truck" rental See Section I. B										
Item 4.	Premium Rate: <u>\$ 7.50</u> per "Truck", per day of rental  Tow Rate: \$9.95 per dolly or trailer per day of rental										
Item 5.	<table border="0" style="width: 100%;"> <tr> <td style="text-align: right;">Limit of Liability</td> <td style="text-align: right;">Deductible</td> </tr> <tr> <td style="text-align: right;">Cargo Coverage</td> <td style="text-align: right;"><u>\$ 12,500</u></td> </tr> <tr> <td style="text-align: right;">Towing Coverage</td> <td style="text-align: right;"><u>\$ 20,000</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$ 100</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$ 500</u></td> </tr> </table>	Limit of Liability	Deductible	Cargo Coverage	<u>\$ 12,500</u>	Towing Coverage	<u>\$ 20,000</u>		<u>\$ 100</u>		<u>\$ 500</u>
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	<u>\$ 500</u>										

This policy is governed by the laws of the jurisdiction in which it is delivered.

The provisions hereinafter contained are part of this policy as fully as if recited over the signatures hereto affixed.

IN WITNESS WHEREOF, Empire Fire and Marine Insurance Company has caused this policy to be signed by its President and Secretary.

*Louis J. Yannello Jr.*

President

*[Signature]*

Secretary

For service related inquiries or to report a claim, please contact:  
**EMPIRE FIRE AND MARINE INSURANCE COMPANY**  
TOLL FREE: 888-680-8002

This is your policy. Please keep it in a safe place.

