

SERFF Tracking Number: QBEC-125606222 State: Arkansas  
Filing Company: Praetorian Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: 08-116-000-IM-VAR  
TOI: 09.0 Inland Marine Sub-TOI: 09.0005 Other Commercial Inland Marine  
Product Name: American Rental Association - IM  
Project Name/Number: ARA - Inland Marine Form Filing/

## Filing at a Glance

Company: Praetorian Insurance Company

Product Name: American Rental Association - SERFF Tr Num: QBEC-125606222 State: Arkansas

IM

TOI: 09.0 Inland Marine

SERFF Status: Closed

State Tr Num: EFT \$50

Sub-TOI: 09.0005 Other Commercial Inland Marine

Co Tr Num: 08-116-000-IM-VAR

State Status: Fees verified and received

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding

Author: Janet Kiger

Disposition Date: 04/24/2008

Date Submitted: 04/14/2008

Disposition Status: Approved

Effective Date Requested (New):

Effective Date (New): 04/24/2008

Effective Date Requested (Renewal):

Effective Date (Renewal): 04/24/2008

State Filing Description:

## General Information

Project Name: ARA - Inland Marine Form Filing

Status of Filing in Domicile: Pending

Project Number:

Domicile Status Comments: Pending approval in all 50 States.

Reference Organization: N/A

Reference Number: N/A

Reference Title: N/A

Advisory Org. Circular: N/A

Filing Status Changed: 04/24/2008

State Status Changed: 04/18/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

RE: Praetorian Insurance Company - NAIC: 0796-37257 FEIN: 36-3030511

American Rental Association – Multi Line - Equipment Dealers Program

Commercial Inland Marine

Form Filing

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Praetorian Insurance Company wishes to submit for your review and approval our American Rental Association – Equipment Dealers – Commercial Inland Marine Form Filing.

Enclosed are the following:

- State Transmittals (if applicable)
- Filing Fee (if applicable)
- Form Filing Memorandum
- Side by Side Comparisons
- Previously Approved Forms – ARA 2001 1106 and ARA 2008 607
- ARA 2001 0108 – Rental Equipment Coverage Form (Final Printed Form)
- ARA 2008 0108 – Deductible Waiver for Global Positioning or Radio Frequency Recovery System Endorsement (Final Printed Form)

Our proposed effective date is the Date of Approval.

## Company and Contact

### Filing Contact Information

Janet Kiger, Assistant Vice President  
1200 Landmark Center  
Omaha, NE 68102

janet.kiger@qbeamericas.com  
(402) 345-1818 [Phone]  
(402) 345-4401[FAX]

### Filing Company Information

Praetorian Insurance Company  
88 Pine Street - 16th Floor  
New York , NY 10005

CoCode: 37257  
Group Code: 796  
Group Name: QBE Insurance  
Group  
FEIN Number: 36-3030511  
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State of Domicile: Illinois  
Company Type:  
State ID Number:

(212) 422-9888 ext. [Phone]

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation: AR Form Filing Fee = \$50  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Praetorian Insurance Company	\$50.00	04/14/2008	19535248

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	04/24/2008	04/24/2008

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	04/18/2008	04/18/2008	Janet Kiger	04/24/2008	04/24/2008

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## Disposition

Disposition Date: 04/24/2008

Effective Date (New): 04/24/2008

Effective Date (Renewal): 04/24/2008

Status: Approved

Comment:

Rate data does NOT apply to filing.

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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Uniform Transmittal Document-Property & Casualty	Approved	Yes
<b>Supporting Document</b>	Certificate of Compliance	Approved	Yes
<b>Supporting Document</b>	Filing Memo	Approved	Yes
<b>Supporting Document</b>	Side by Side Comparisons	Approved	Yes
<b>Supporting Document</b>	Previously Approved Forms	Approved	Yes
<b>Supporting Document</b>	ARA 0065 AR 0107 - ARkansas Changes	Approved	Yes
<b>Form</b>	Rental Equipment Coverage Form	Approved	Yes
<b>Form</b>	Deductible Waiver for Global Poitioning or Radio Frequency Recovery System	Approved	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 04/18/2008  
Submitted Date 04/18/2008  
Respond By Date 04/29/2008

Dear Janet Kiger,

The following needs to be implemented in regards to form ARA 20 01:

The appraisal clause(s) found in this filing should be amended to comply with Ark. Code Ann. §23- 79-203 and Arkansas Bulletin No. 19-89. The clause(s) must specifically state it is non-binding and voluntary.

The applicable provision of the Arkansas Statute of Limitations of the Arkansas General Code, allows five (5) years in which to commence litigation for this insurance contract. You may amend by extending the time limit to five (5) years or by stating, "within the time allowed by law."

Thank You

Llyweyia Rawlins

Please feel free to contact me if you have questions.

Sincerely,

Llyweyia Rawlins

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 04/24/2008  
Submitted Date 04/24/2008

Dear Llyweyia Rawlins,

### Comments:

### Response 1

Comments: ARA 0065 AR 0107 - Arkansas Changes is attached to all policies issued

### Changed Items:

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**Supporting Document Schedule Item Changes**

Satisfied -Name: ARA 0065 AR 0107 - ARkansas Changes

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,  
Janet Kiger

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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Rental Equipment Coverage Form	ARA 2001	0108	Policy/Coverage Form Replaced	Replaced Form #:56.30 ARA 2001 1106 Previous Filing #: AR-PC-06-022512		ARA 2001 0108 Rental Equip Cov Form.pdf
Approved	Deductible Waiver for Global Positioning or Radio Frequency Recovery System	ARA 2008	0108	Endorsement/Amendment/Conditions Replaced	Replaced Form #:53.20 ARA 2008 607 Previous Filing #: AR-PC-07-024793		ARA 2008 0108 Ded Waive GPS.pdf

## AMERICAN RENTAL ASSOCIATION PROGRAM RENTAL EQUIPMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION F-DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

#### 1. COVERED PROPERTY

Covered Property, as used in this Coverage Form, means your business personal property consisting of the following for which a Limit of Insurance is shown:

- a. Personal property held for sale or rental
- b. Personal property of others in your care, custody or control
- c. Trailers held for sale, rental or used in the rental store operations

#### 2. PROPERTY NOT COVERED

Covered property does not include:

- a. Accounts, bills, currency, deeds, money, notes, securities and evidences of debt;
- b. Furniture, fixtures, office supplies, improvements and betterments, machinery & tools (except Covered Property held for sale or rental), fittings, patterns, dies, molds and models;
- c. Furs, garments consisting principally of fur (excluding synthetic furs);
- d. Precious stones, jewelry or similar valuables;
- e. Gold, silver, platinum, any other precious metal, or alloy thereof, not customarily used as rental inventory;
- f. Weapons, meaning instruments designed and used for the purpose of offense or defense and capable of inflicting bodily injury;
- g. Land motor vehicles designed and/or licensed for travel on public roads, snowmobiles, all-terrain vehicles, aircraft and watercraft;

This paragraph does not apply to:

- (1) Watercraft 26 feet or less in length;

- (2) Snowmobiles held for sale or rented for non-recreational purposes;
- (3) All-Terrain Vehicles held for sale or rented for non-recreational purposes;
- (4) "Mobile equipment" held for rental;
- (5) Trailers.

**h.** Property while waterborne, except while in transit on ferries or while aboard vessels while moored.

This paragraph does not apply to watercraft 26 feet or less in length.

**i.** Contraband, or property in the course of illegal transportation or trade.

### **3. COVERED CAUSES OF LOSS**

Covered causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in SECTION B – EXCLUSIONS.

### **4. ADDITIONAL COVERAGES**

#### **a. Collapse**

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- (1) Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sink-hole collapse; volcanic action; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; only as insured against in this Coverage Form;
- (2) Hidden decay;
- (3) Hidden insect or vermin damage;
- (4) Weight of people or personal property;
- (5) Weight of rain that collects on a roof;
- (6) Use of defective materials or methods in construction remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

#### **b. Flood**

We will pay for direct physical "loss" to Covered Property caused by "flood".

- (1) We will not pay for "loss" in any one occurrence until the amount of "loss" exceeds \$10,000.
- (2) The most we will pay for "loss" because of "flood" during each 12 month policy period is \$100,000.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

## 5. COVERAGE EXTENSION

### a. Debris Removal

- (1) We will pay some or all of your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:
  - (a) The day of direct physical "loss"; or
  - (b) The end of the policy period.
- (2) The most we will pay under this Coverage Extension is 25% of:
  - (a) The amount we pay for the direct physical "loss" to Covered Property; plus
  - (b) The deductible in this policy applicable to that "loss."
- (3) Payment under this Coverage Extension will not increase the applicable Limit of Insurance, but if:
  - (a) The sum of direct physical "loss" and debris removal expense exceeds the Limit of Insurance; or
  - (b) The debris removal expense exceeds the amount payable under the 25% limitation;We will pay up to an additional \$5,000 in any one occurrence under this Coverage Extension.
- (4) This Coverage Extension does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - (b) Remove, restore or replace polluted land or water.

### b. Loss of Profit

- (1) We will pay for your loss of profit resulting from loss of use of your owned personal property held for rental due to a covered cause of loss.
- (2) The amount of profit will be calculated using the period of loss divided by 365 days and multiplying that ratio by 15% of the replacement cost of Covered Property involved in the "loss".
- (3) The most we will pay under this Coverage Extension is:
  - (a) 25% of the amount we pay for the direct physical "loss" to Covered Property; or
  - (b) 15% of the replacement cost of Covered Property involved in the "loss";whichever is less.
- (4) The period of loss will be the number of days calculated from the date the loss is reported to the Company, to the date we make our initial Loss Payment to you.

## B. EXCLUSIONS

1. We do not insure for "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event contributing concurrently or in any sequence to the "loss".

- a. **Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

- b. **Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

- c. **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.

- d. **Racing**

"Loss" to Covered Property while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while the Covered Property is being prepared for such a contest or activity.

2. We do not insure for "loss" caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss -except as covered by Loss of Profits coverage extension

- b. Unexplained disappearance.

- c. Shortage found upon taking inventory.

- d. Dishonest or criminal act committed by:

- (1) You, any of your "employees", directors, trustees, or authorized representatives;

- (2) Anyone else with an ownership interest in the property, or their employees or authorized representatives; or

- (3) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

- e. Processing or work upon the property. But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.
- f. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

- g. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - h. Unauthorized instructions to transfer property to any person or to any place.
3. We do not insure for "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. of SECTION B. EXCLUSIONS above to produce the "loss."
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;of part or all of any property wherever located.
  - d. Collapse except as provided in the Additional Coverages – Collapse section of this Coverage Form.
  - e. "Flood" except as provided in the Additional Coverages – Flood section of this Coverage Form.
  - f. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.

## **C. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

## **D. DEDUCTIBLE**

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss", before applying the applicable Limits of Insurance, exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

## **E. COVERAGE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions.

### **1. LOSS CONDITIONS**

#### **a. Abandonment**

There can be no abandonment of any property to us.

#### **b. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### **c. Duties In The Event of Loss**

You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
- (5) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (7) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- (8) Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (9) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- (10) Cooperate with us in the investigation or settlement of the claim.

**d. Insurance Under Two or More Coverages**

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

**e. Loss Payment**

- (1) We will give notice of our intentions within 15 days after we receive the sworn proof of loss.
- (2) We will not pay you more than your financial interest in the Covered Property.
- (3) We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- (4) We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- (5) We will pay for covered loss or damage within 15 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - (a) We have reached agreement with you on the amount of the loss; or
  - (b) An appraisal award has been made.
- (6) We will not be liable for any part of a loss that has been paid or made good by others.

**f. Other Insurance**

We will pay for the amount of covered "loss" on a primary basis. But we will not pay more than the applicable limit of insurance.

**g. Pair, Sets or Parts**

**(1) Pair or Set.**

In case of loss or damage to any part of a pair or set we may:

- (a)** Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- (b)** Pay the difference between the value of the pair or set before and after the loss or damage.

**(2) Parts.**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**h. Recovered Property**

If either you or we recover any property after "loss" settlement, that party must give the other party prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the direct physical "loss" to the Covered Property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**i. Reinstatement of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim.

**j. Transfer of Rights of Recovery Against Others To Us**

If any person or organization to or for whom we may payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- (1)** Prior to a loss to your Covered Property.
- (2)** After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - (a)** Someone insured by this insurance; or
  - (b)** A business firm:
    - (i)** Owned or controlled by you; or
    - (ii)** That owns or controls you.

This will not restrict your insurance.

**2. GENERAL CONDITIONS**

**a. Concealment, Misrepresentation or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- (1)** This Coverage Part;

- (2) The Covered Property;
- (3) Your interest in the Covered Property; or
- (4) A claim under this Coverage Part.

**b. Control of Property**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**c. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**d. Liberalization**

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

**e. No Benefit to Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**f. Policy Period**

We cover loss or damage commencing:

- (1) During the policy period shown in the Declarations; and
- (2) Within the coverage territory.

**g. Coverage Territory**

We cover property wherever located within:

- (1) The United States of America;
- (2) Puerto Rico; and
- (3) Canada.

## **g. Valuation**

- (1)** The value of your personal property held for sale or rental will be replacement cost (without deduction for depreciation). Property of others in your care custody and control will be valued at actual cash value or, if greater, the amount for which you are contractually liable.
- (2)** You may make a claim for "loss" covered by this insurance on an actual cash value basis instead of a replacement cost basis. In the event you elect to have "loss" settled on an actual cash value basis, you may still make a claim for replacement cost coverage if you notify us of your intent to do so within 180 days after the "loss".
- (3)** We will not pay on a replacement cost basis for any "loss";
  - (a)** Until the Covered Property is actually repaired or replaced; and
  - (b)** Unless the repairs or replacement are made as soon as reasonably possible after the "loss".
  - (c)** We will pay for "loss" on a replacement cost basis (without deduction for depreciation), but not exceeding the least amount of:
    - (i)** The Limit of Insurance applicable to the Covered Property;
    - (ii)** The cost to replace the Covered Property with other property:
      - (a)** Of comparable material and quality; and
      - (b)** Used for the same purpose; or
    - (iii)** The amount you actually spend that is necessary to repair or replace the Covered Property.
- (4)** In the event of "loss", the value of Covered Property will be determined as of the time of "loss".

## **F. DEFINITIONS**

- 1.** "Employee" means an individual whose service or work is or was engaged and directed on a daily basis by you or a supervisory employee. This includes current or former full-time or part-time employees, current or former supervisory employees, and applicants for employment. Employee does not mean statutory independent contractors, seasonal or temporary workers, leased employees or volunteers.
- 2.** "Flood" means flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.
- 3.** "Loss" means accidental loss or damage.
- 4.** "Mobile Equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
  - a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - b.** Vehicles maintained for use solely on or next to premises you own or rent;
  - c.** Vehicles that travel on crawler treads;

- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted.
    - (1) Power cranes, shovels, loaders, diggers or drills; or
    - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
  - e. Vehicles not described in Paragraphs a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lightning and well servicing equipment; or
    - (2) Cherry pickers and similar devices used to raise or lower workers.
  - f. Vehicles not described in Paragraphs a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
    - (1) Equipment designed primarily for:
      - (a) Snow removal;
      - (b) Road maintenance, but not construction or resurfacing; or
      - (c) Street cleaning;
    - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
    - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
5. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMERICAN RENTAL ASSOCIATION  
DEDUCTIBLE WAIVER FOR GLOBAL POSITIONING OR RADIO  
FREQUENCY RECOVERY SYSTEMS**

This endorsement modifies insurance provided under the following:

RENTAL EQUIPMENT COVERAGE FORM  
CONVERSION COVERAGE ENDORSEMENT

**A.** The following is added under **D. Deductible:**

In the event of a theft "loss" of covered property or a "conversion" "loss" of covered property we agree to waive your deductible if any piece of stolen or converted equipment is protected by an operational Global Positioning or Radio Frequency Recovery System.

In the case of the loss of multiple items covered by this coverage form in the same occurrence, if at least one of the items has an operational global positioning or radio frequency recovery system the deductible waiver will apply.

**B.** For the purposes of this endorsement operational global positioning or radio frequency recovery system requires:

1. Proof of purchase of global positioning or radio frequency recovery system attached as part of the equipment at the time of purchase or added at a later date; and
2. Proof of purchase of on going monitoring through an authorized global positioning or radio frequency recovery system at the time of the loss.

*SERFF Tracking Number: QBEC-125606222*

*State: Arkansas*

*Filing Company: Praetorian Insurance Company*

*State Tracking Number: EFT \$50*

*Company Tracking Number: 08-116-000-IM-VAR*

*TOI: 09.0 Inland Marine*

*Sub-TOI: 09.0005 Other Commercial Inland Marine*

*Product Name: American Rental Association - IM*

*Project Name/Number: ARA - Inland Marine Form Filing/*

## **Rate Information**

Rate data does NOT apply to filing.

<i>SERFF Tracking Number:</i>	<i>QBEC-125606222</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Praetorian Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>08-116-000-IM-VAR</i>		
<i>TOI:</i>	<i>09.0 Inland Marine</i>	<i>Sub-TOI:</i>	<i>09.0005 Other Commercial Inland Marine</i>
<i>Product Name:</i>	<i>American Rental Association - IM</i>		
<i>Project Name/Number:</i>	<i>ARA - Inland Marine Form Filing/</i>		

## Supporting Document Schedules

<b>Satisfied -Name:</b>	Uniform Transmittal Document- Property & Casualty	<b>Review Status:</b>	Approved	04/24/2008
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**Comments:**

**Attachments:**

ARPCTD-1.pdf

ARFFS-1.pdf

<b>Satisfied -Name:</b>	Certificate of Compliance	<b>Review Status:</b>	Approved	04/24/2008
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**Comments:**

**Attachment:**

ARCOC.pdf

<b>Satisfied -Name:</b>	Filing Memo	<b>Review Status:</b>	Approved	04/24/2008
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**Comments:**

**Attachment:**

Form Filing Memo.pdf

<b>Satisfied -Name:</b>	Side by Side Comparisons	<b>Review Status:</b>	Approved	04/24/2008
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**Comments:**

**Attachments:**

Side by Side Comparison ARA 20 01Rental Equip Cov Form.pdf

Side By Side Comparison ARA 20 08 Ded Waive GPS.pdf

<b>Satisfied -Name:</b>	Previously Approved Forms	<b>Review Status:</b>	Approved	04/24/2008
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**Comments:**

**Attachments:**

Previously Approved ARA 2001 1106.pdf

*SERFF Tracking Number:* QBEC-125606222      *State:* Arkansas  
*Filing Company:* Praetorian Insurance Company      *State Tracking Number:* EFT \$50  
*Company Tracking Number:* 08-116-000-IM-VAR  
*TOI:* 09.0 Inland Marine      *Sub-TOI:* 09.0005 Other Commercial Inland Marine  
*Product Name:* American Rental Association - IM  
*Project Name/Number:* ARA - Inland Marine Form Filing/  
Previously Approved Form ARA 2008 6 07.pdf

SERFF Tracking Number: QBEC-125606222 State: Arkansas  
Filing Company: Praetorian Insurance Company State Tracking Number: EFT \$50  
Company Tracking Number: 08-116-000-IM-VAR  
TOI: 09.0 Inland Marine Sub-TOI: 09.0005 Other Commercial Inland Marine  
Product Name: American Rental Association - IM  
Project Name/Number: ARA - Inland Marine Form Filing/

**Satisfied -Name:** ARA 0065 AR 0107 - ARkansas **Review Status:** Approved 04/24/2008  
Changes

**Comments:**

**Attachment:**

ARA0065\_AR\_0107.pdf

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="border: none;">New Business</td> <td style="border: none; width: 100px;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
QBE	0796

<b>4. Company Name(s)</b>	<b>Domicile</b>	<b>NAIC #</b>	<b>FEIN #</b>	<b>State #</b>
Praetorian Insurance Company	IL	37257	36-3030511	

<b>5. Company Tracking Number</b>	QBEC-125606222
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

<b>6.</b>	<b>Name and address</b>	<b>Title</b>	<b>Telephone #s</b>	<b>FAX #</b>	<b>e-mail</b>
	Janet Kiger 1299 Farnam, Suite 950 Omaha NE 68102	Asst VP	800-324-0269 ext 110	402-345-4401	janet.kiger@qbeameric as.com
<b>7.</b>	Signature of authorized filer				
<b>8.</b>	Please print name of authorized filer		Janet Kiger		

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	09.0 - Inland Marine
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	<b>09.00005 - Other Commercial Inland Marine</b>
<b>11. State Specific Product code(s)(if applicable)[See State Specific Requirements]</b>	
<b>12. Company Program Title</b> (Marketing title)	
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New:    Date of Approval    Renewal:    Date of Approval
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization</b> (if applicable)	N/A
<b>17. Reference Organization # &amp; Title</b>	N/A
<b>18. Company's Date of Filing</b>	04/11/08
<b>19. Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved



Effective March 1, 2007

## FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)

(Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	QBEC-125606222			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	N/A			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Deductible Waiver For Global Positioning or Radio Frequency Recovery System	ARA 2008 0108	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	ARA 2008 607	AR-PC-07-024793
02	Rental Equipment Coverage Form	ARA 2001 0108	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	ARA 2001 1106	AR-PC-06-022512
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

# ARKANSAS CERTIFICATE OF COMPLIANCE

*(You may print or type the information required by this form)*

FORM SELF CERT



I, Stephen T. Fitzpatrick, Vice President of  
*(Name)* *(Title of Authorized Officer)*

Praetorian Insurance Company  
*(Name of Insurer)*

declare that I am authorized to execute and file this certificate of compliance and do hereby certify that I am knowledgeable of the legal requirements under Arkansas law applicable to the insurance forms that are the subject of this filing and further aver:

the company.

1. Upon information and belief, I certify that the insurance forms filed herewith are complete and comply with all Arkansas laws, including the:

- a. Arkansas Code Annotated;
- b. Arkansas Rules and Regulations;
- c. Arkansas Insurance Bulletins, Directives and Orders;
- d. Applicable filing requirements including the applicable product standards set forth in the product checklists; and
- e. Rulings and decisions of any court of this state.

3. Pursuant to Ark. Code Ann. §23-79-109(a)(1)(C), I understand that by certifying that a form complies with paragraph 1 hereof, it is not to be taken by the undersigned or by my company as meaning that any insurance effected by use of such form may in any fashion be inconsistent with the statutory and common law of Arkansas.

2. I understand and acknowledge that the Commissioner will rely upon this certificate and if it is subsequently determined that any form filed herewith is false or misleading, appropriate corrective action shall be taken by the commissioner against

4. Pursuant to Ark. Code Ann. §23-79-118, I understand and acknowledge that any insurance policy, rider, endorsement or other insurance form filed under this certificate, that is subsequently issued to an insured, and contains any condition or provision not in compliance with the requirements of the laws of the State of Arkansas, as set forth in paragraph 1 hereof, shall be construed and applied in accordance with such condition or provision as would have applied if the policy, rider, endorsement or form had been in full compliance with the law.

Does this Certification apply to all the companies in this filing? *(Yes or No)* ► Yes

If "NO", to which companies does this Certification apply?

Company Name(s)	NAIC #

Company Tracking Number QBEC-125606222

Signature of Authorized Officer ►		
Name of Authorized Officer ►	Stephen T. Fitzpatrick	
Title of Authorized Officer ►	Vice President	
Email address of Authorized Officer ►	stephen.fitzpatrick@qbeamericas.com	
Telephone # of Authorized Officer ►	800-324-0269	Date ► 04/11/08

*This form may be computer generated by the company. So long as the wording and general layout is the same, the format may vary. For more information, contact the Property & Casualty Division of the Arkansas Insurance Department at 1200 W 3<sup>rd</sup> St., Little Rock, AR 72201, telephone: 501-371-2800, or email: [information.pnc@state.ar.us](mailto:information.pnc@state.ar.us) AID PC SelfCert (4/30/03)*

**PRAETORIAN INSURANCE COMPANY**

**AMERICAN RENTAL ASSOCIATION  
COMMERCIAL INLAND MARINE  
FORM FILING MEMORANDUM**

ARA 2001 0108 – Rental Equipment Coverage Form

Replaces Form: ARA 2001 1106

Rate Impact: Not Applicable – Coverage clarification

ARA 2008 0108 – Deductible Waiver for Global Positioning or Radio Frequency Recovery System

Replaces Form: ARA 2008 607

Rate Impact: There in no charge for this enhancement endorsement.

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## AMERICAN RENTAL ASSOCIATION PROGRAM RENTAL EQUIPMENT COVERAGE FORM

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Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION F-DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

#### 1. COVERED PROPERTY

Covered Property, as used in this Coverage Form, means your business personal property consisting of the following for which a Limit of Insurance is shown:

- a. Personal property held for sale or rental
- b. Personal property of others in your care, custody or control
- c. Trailers held for sale, rental or used in the rental store operations

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#### 2. PROPERTY NOT COVERED

Covered property does not include:

- a. Accounts, bills, currency, deeds, money, notes, securities and evidences of debt;
- b. Furniture, fixtures, office supplies, improvements and betterments, machinery & tools (except Covered Property held for sale or rental), fittings, patterns, dies, molds and models;
- c. Furs, garments consisting principally of fur (excluding synthetic furs);
- d. Precious stones, jewelry or similar valuables;
- e. Gold, silver, platinum, any other precious metal, or alloy thereof, not customarily used as rental inventory;
- f. Weapons, meaning instruments designed and used for the purpose of offense or defense and capable of inflicting bodily injury;
- g. Land motor vehicles designed and/or licensed for travel on public roads, snowmobiles, all-terrain vehicles, aircraft and watercraft;

This paragraph does not apply to:

- (1) Watercraft 26 feet or less in length;

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**(2) Snowmobiles held for sale or rented for non-recreational purposes;**

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**(3) All-Terrain Vehicles held for sale or rented for non-recreational purposes;**

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**(4) "Mobile equipment" held for rental;**

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**(5) Trailers.**

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h. Property while waterborne, except while in transit on ferries or while aboard vessels while moored.

This paragraph does not apply to watercraft 26 feet or less in length.

i. Contraband, or property in the course of illegal transportation or trade.

### 3. COVERED CAUSES OF LOSS

Covered causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in SECTION B – EXCLUSIONS.

### 4. ADDITIONAL COVERAGES

#### a. Collapse

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

**(1) Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sink-hole collapse; volcanic action; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; only as insured against in this Coverage Form;**

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**(2) Hidden decay;**

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**(3) Hidden insect or vermin damage;**

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**(4) Weight of people or personal property;**

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**(5) Weight of rain that collects on a roof;**

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**(6) Use of defective materials or methods in construction remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.**

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This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

#### b. Flood

We will pay for direct physical "loss" to Covered Property caused by "flood".

**(1) We will not pay for "loss" in any one occurrence until the amount of "loss" exceeds \$10,000.**

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**(2) The most we will pay for "loss" because of "flood" during each 12 month policy period is \$100,000.**

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This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

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**5. COVERAGE EXTENSION**

**a. Debris Removal**

(1) We will pay some or all of your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

(a) The day of direct physical "loss"; or

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(b) The end of the policy period.

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(2) The most we will pay under this Coverage Extension is 25% of:

(a) The amount we pay for the direct physical "loss" to Covered Property; plus

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(b) The deductible in this policy applicable to that "loss."

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(3) Payment under this Coverage Extension will not increase the applicable Limit of Insurance, but if:

(a) The sum of direct physical "loss" and debris removal expense exceeds the Limit of Insurance; or

(b) The debris removal expense exceeds the amount payable under the 25% limitation;

We will pay up to an additional \$5,000 in any one occurrence under this Coverage Extension.

(4) This Coverage Extension does not apply to costs to:

(a) Extract "pollutants" from land or water; or

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(b) Remove, restore or replace polluted land or water.

**b. Loss of Profit**

(1) We will pay for your loss of profit resulting from loss of use of your owned personal property held for rental due to a covered cause of loss.

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(2) The amount of profit will be calculated using the period of loss divided by 365 days and multiplying that ratio by 15% of the replacement cost of Covered Property involved in the "loss".

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(3) The most we will pay under this Coverage Extension is:

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(a) 25% of the amount we pay for the direct physical "loss" to Covered Property; or

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(b) 15% of the replacement cost of Covered Property involved in the "loss";

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whichever is less.

(4) The period of loss will be the number of days calculated from the date the loss is reported to the Company, to the date we make our initial Loss Payment to you.

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**B. EXCLUSIONS**

1. We do not insure for "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event contributing concurrently or in any sequence to the "loss".

**a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

**b. Nuclear Hazard**

(1) Any weapon employing atomic fission or fusion; or

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(2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

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**c. War and Military Action**

(1) War, including undeclared or civil war;

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(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

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(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

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**d. Racing**

"Loss" to Covered Property while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while the Covered Property is being prepared for such a contest or activity.

2. We do not insure for "loss" caused by or resulting from any of the following:

a. Delay, loss of use, loss of market or any other consequential loss -except as covered by Loss of Profits coverage extension

b. Unexplained disappearance.

c. Shortage found upon taking inventory.

d. Dishonest or criminal act committed by:

(1) You, any of your "employees", directors, trustees, or authorized representatives;

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(2) Anyone else with an ownership interest in the property, or their employees or authorized representatives; or

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(3) Anyone else to whom the property is entrusted for any purpose.

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This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

- e. Processing or work upon the property. But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.
- f. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

- g. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - h. Unauthorized instructions to transfer property to any person or to any place.
3. We do not insure for "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. of SECTION B. EXCLUSIONS above to produce the "loss."

- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

**c. Faulty, inadequate or defective:**

**(1) Planning, zoning, development, surveying, siting;**

**(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;**

**(3) Materials used in repair, construction, renovation or remodeling; or**

**(4) Maintenance;**

of part or all of any property wherever located.

- d. Collapse except as provided in the Additional Coverages – Collapse section of this Coverage Form.
- e. "Flood" except as provided in the Additional Coverages – Flood section of this Coverage Form.
- f. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.

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**C. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

**D. DEDUCTIBLE**

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss", before applying the applicable Limits of Insurance, exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

**E. COVERAGE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions.

**1. LOSS CONDITIONS**

**a. Abandonment**

There can be no abandonment of any property to us.

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**b. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**c. Duties In The Event of Loss**

You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
- (5) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

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- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (7) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- (8) Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (9) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- (10) Cooperate with us in the investigation or settlement of the claim.

**d. Insurance Under Two or More Coverages**

Deleted: Or

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

**e. Loss Payment**

- (1) We will give notice of our intentions within 15 days after we receive the sworn proof of loss.
- (2) We will not pay you more than your financial interest in the Covered Property.
- (3) We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- (4) We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- (5) We will pay for covered loss or damage within 15 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
- (a) We have reached agreement with you on the amount of the loss; or
- (b) An appraisal award has been made.
- (6) We will not be liable for any part of a loss that has been paid or made good by others.

**f. Other Insurance**

We will pay for the amount of covered "loss" on a primary basis. But we will not pay more than the applicable limit of insurance.

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**g. Pair, Sets or Parts**

**(1) Pair or Set.**

In case of loss or damage to any part of a pair or set we may:

**(a) Repair or replace any part to restore the pair or set to its value before the loss or damage; or**

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**(b) Pay the difference between the value of the pair or set before and after the loss or damage.**

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**(2) Parts.**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**h. Recovered Property**

If either you or we recover any property after "loss" settlement, that party must give the other party prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the direct physical "loss" to the Covered Property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**i. Reinstatement of Limit After Loss**

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The Limit of Insurance will not be reduced by the payment of any claim.

**j. Transfer of Rights of Recovery Against Others To Us**

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If any person or organization to or for whom we may payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

**(1) Prior to a loss to your Covered Property.**

**(2) After a loss to your Covered Property only if, at time of loss, that party is one of the following:**

**(a) Someone insured by this insurance; or**

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**(b) A business firm:**

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(i) Owned or controlled by you; or

(ii) That owns or controls you.

This will not restrict your insurance.

**2. GENERAL CONDITIONS**

**a. Concealment, Misrepresentation or Fraud**

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This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

**(1) This Coverage Part;**

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- (2) The Covered Property;
- (3) Your interest in the Covered Property; or
- (4) A claim under this Coverage Part.

**b. Control of Property**

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Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**c. Legal Action Against Us**

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No one may bring a legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**d. Liberalization**

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

**e. No Benefit to Bailee**

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No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**f. Policy Period**

We cover loss or damage commencing:

- (1) During the policy period shown in the Declarations; and
- (2) Within the coverage territory.

**g. Coverage Territory**

We cover property wherever located within:

- (1) The United States of America;
- (2) Puerto Rico; and
- (3) Canada.

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## g. Valuation

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- (1) The value of your personal property held for sale or rental will be replacement cost (without deduction for depreciation). Property of others in your care custody and control will be valued at actual cash value or, if greater, the amount for which you are contractually liable.
- (2) You may make a claim for "loss" covered by this insurance on an actual cash value basis instead of a replacement cost basis. In the event you elect to have "loss" settled on an actual cash value basis, you may still make a claim for replacement cost coverage if you notify us of your intent to do so within 180 days after the "loss".
- (3) We will not pay on a replacement cost basis for any "loss";
  - (a) Until the Covered Property is actually repaired or replaced; and
  - (b) Unless the repairs or replacement are made as soon as reasonably possible after the "loss".
  - (c) We will pay for "loss" on a replacement cost basis (without deduction for depreciation), but not exceeding the least amount of:
    - (i) The Limit of Insurance applicable to the Covered Property;
    - (ii) The cost to replace the Covered Property with other property:
      - (a) Of comparable material and quality; and
      - (b) Used for the same purpose; or
    - (iii) The amount you actually spend that is necessary to repair or replace the Covered Property.
- (4) In the event of "loss", the value of Covered Property will be determined as of the time of "loss".

## F. DEFINITIONS

1. "Employee" means an individual whose service or work is or was engaged and directed on a daily basis by you or a supervisory employee. This includes current or former full-time or part-time employees, current or former supervisory employees, and applicants for employment. Employee does not mean statutory independent contractors, seasonal or temporary workers, leased employees or volunteers.
2. "Flood" means flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.
3. "Loss" means accidental loss or damage.
4. "Mobile Equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
  - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - b. Vehicles maintained for use solely on or next to premises you own or rent;
  - c. Vehicles that travel on crawler treads;

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d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted.

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers.

e. Vehicles not described in Paragraphs a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lightning and well servicing equipment; or

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(2) Cherry pickers and similar devices used to raise or lower workers.

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f. Vehicles not described in Paragraphs a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

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(a) Snow removal;

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(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

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(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

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5. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Deleted: g. However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".¶

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AMERICAN RENTAL ASSOCIATION**  
**DEDUCTIBLE WAIVER FOR GLOBAL POSITIONING OR RADIO**  
**FREQUENCY RECOVERY SYSTEMS**

This endorsement modifies insurance provided under the following:

RENTAL EQUIPMENT COVERAGE FORM  
CONVERSION COVERAGE ENDORSEMENT

**A.** The following is added under **D. Deductible:**

In the event of a theft "loss" of covered property or a "conversion" "loss" of covered property, we agree to waive your deductible if any piece of stolen or converted equipment is protected by an operational Global Positioning or Radio Frequency Recovery System.

In the case of the loss of multiple items covered by this coverage form in the same occurrence, if at least one of the items has an operational global positioning or radio frequency recovery system the deductible waiver will apply.

**B.** For the purposes of this endorsement operational global positioning or radio frequency recovery system requires:

1. Proof of purchase of global positioning or radio frequency recovery system attached as part of the equipment at the time of purchase or added at a later date; and
2. Proof of purchase of on going monitoring through an authorized global positioning or radio frequency recovery system at the time of the loss.

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**PRAETORIAN INSURANCE COMPANY**

**This endorsement changes the  
Rental Equipment Coverage Form**

-- PLEASE READ THIS CAREFULLY --

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## AMERICAN RENTAL ASSOCIATION PROGRAM

### RENTAL EQUIPMENT COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION F-DEFINITIONS.

#### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

##### 1. COVERED PROPERTY

Covered Property, as used in this Coverage Form, means your business personal property consisting of the following for which a Limit of Insurance is shown:

- a. Personal property held for sale or rental
- b. Personal property of others in your care, custody or control held for sale or rental
- c. Trailers held for sale, rental or used in the rental store operations

##### 2. PROPERTY NOT COVERED

Covered property does not include:

- a. Accounts, bills, currency, deeds, money, notes, securities and evidences of debt;
- b. Furniture, fixtures, office supplies, improvements and betterments, machinery & tools (except Covered Property held for sale or rental), fittings, patterns, dies, molds and models;
- c. Furs, garments consisting principally of fur (excluding synthetic furs);
- d. Precious stones, jewelry or similar valuables;
- e. Gold, silver, platinum, any other precious metal, or alloy thereof, not customarily used as rental inventory;
- f. Weapons, meaning instruments designed and used for the purpose of offense or defense and capable of inflicting bodily injury;
- g. Land motor vehicles designed and/or licensed for travel on public roads, snowmobiles, all-terrain vehicles, aircraft and watercraft;

This paragraph does not apply to:

- (1) Watercraft 26 feet or less in length;

- (2) Snowmobiles held for sale or rented for non-recreational purposes;
- (3) All-Terrain Vehicles held for sale or rented for non-recreational purposes;
- (4) "Mobile equipment" held for rental.

h. Property while waterborne, except while in transit on ferries or while aboard vessels while moored.

This paragraph does not apply to watercraft 26 feet or less in length.

i. Contraband, or property in the course of illegal transportation or trade.

### 3. COVERED CAUSES OF LOSS

Covered causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in SECTION B – EXCLUSIONS.

### 4. ADDITIONAL COVERAGES

#### a. Collapse

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- (1) Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sink-hole collapse; volcanic action; breakage of glass; falling objects; weight of snow, ice or sleet; water damage; only as insured against in this Coverage Form;
- (2) Hidden decay;
- (3) Hidden insect or vermin damage;
- (4) Weight of people or personal property;
- (5) Weight of rain that collects on a roof;
- (6) Use of defective materials or methods in construction remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

#### b. Flood

We will pay for direct physical "loss" to Covered Property caused by "flood".

- (1) We will not pay for "loss" in any one occurrence until the amount of "loss" exceeds \$10,000.
- (2) The most we will pay for "loss" because of "flood" during each 12 month policy period is \$100,000.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

## 5. COVERAGE EXTENSION

### a. Debris Removal

- (1) We will pay some or all of your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:
  - (a) The day of direct physical "loss"; or
  - (b) The end of the policy period.
- (2) The most we will pay under this Coverage Extension is 25% of:
  - (a) The amount we pay for the direct physical "loss" to Covered Property; plus
  - (b) The deductible in this policy applicable to that "loss."
- (3) Payment under this Coverage Extension will not increase the applicable Limit of Insurance, but if:
  - (a) The sum of direct physical "loss" and debris removal expense exceeds the Limit of Insurance; or
  - (b) The debris removal expense exceeds the amount payable under the 25% limitation;We will pay up to an additional \$5,000 in any one occurrence under this Coverage Extension.
- (4) This Coverage Extension does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - (b) Remove, restore or replace polluted land or water.

### b. Loss of Profit

- (1) We will pay for your loss of profit resulting from loss of use of your owned personal property held for rental due to a covered cause of loss.
- (2) The amount of profit will be calculated using the period of loss divided by 365 days and multiplying that ratio by 15% of the replacement cost of Covered Property involved in the "loss".
- (3) The most we will pay under this Coverage Extension is:
  - (a) 25% of the amount we pay for the direct physical "loss" to Covered Property; or
  - (b) 15% of the replacement cost of Covered Property involved in the "loss";whichever is less.
- (4) The period of loss will be the number of days calculated from the date the loss is reported to the Company, to the date we make our initial Loss Payment to you.

## **B. EXCLUSIONS**

1. We do not insure for "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event contributing concurrently or in any sequence to the "loss".

- a. **Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

- b. **Nuclear Hazard**

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

- c. **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.

- d. **Racing**

"Loss" to Covered Property while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while the Covered Property is being prepared for such a contest or activity.

2. We do not insure for "loss" caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss -except as covered by Loss of Profits coverage extension

- b. Unexplained disappearance.

- c. Shortage found upon taking inventory.

- d. Dishonest or criminal act committed by:

- (1) You, any of your "employees", directors, trustees, or authorized representatives;

- (2) Anyone else with an ownership interest in the property, or their employees or authorized representatives; or

- (3) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

- e. Processing or work upon the property. But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.
- f. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

- g. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - h. Unauthorized instructions to transfer property to any person or to any place.
3. We do not insure for "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. of SECTION B. EXCLUSIONS above to produce the "loss."
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;of part or all of any property wherever located.
  - d. Collapse except as provided in the Additional Coverages – Collapse section of this Coverage Form.
  - e. "Flood" except as provided in the Additional Coverages – Flood section of this Coverage Form.
  - f. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.

## **C. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

## **D. DEDUCTIBLE**

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss", before applying the applicable Limits of Insurance, exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

## **E. COVERAGE CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions.

### **1. LOSS CONDITIONS**

#### **a. Abandonment**

There can be no abandonment of any property to us.

#### **b. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### **c. Duties In The Event of Loss**

You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also if feasible, set the damaged property aside and in the best possible order for examination.
- (5) You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (7) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- (8) Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (9) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
- (10) Cooperate with us in the investigation or settlement of the claim.

**d. Insurance Under Two Or More Coverages**

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

**e. Loss Payment**

- (1) We will give notice of our intentions within 15 days after we receive the sworn proof of loss.
- (2) We will not pay you more than your financial interest in the Covered Property.
- (3) We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- (4) We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- (5) We will pay for covered loss or damage within 15 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - (a) We have reached agreement with you on the amount of the loss; or
  - (b) An appraisal award has been made.
- (6) We will not be liable for any part of a loss that has been paid or made good by others.

**f. Other Insurance**

We will pay for the amount of covered "loss" on a primary basis. But we will not pay more than the applicable limit of insurance.

**g. Pair, Sets or Parts**

(1) Pair or Set.

In case of loss or damage to any part of a pair or set we may:

- (a) Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- (b) Pay the difference between the value of the pair or set before and after the loss or damage.

(2) Parts.

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**h. Recovered Property**

If either you or we recover any property after "loss" settlement, that party must give the other party prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the direct physical "loss" to the Covered Property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**i. Reinstatement Of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim.

**j. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we may payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- (1) Prior to a loss to your Covered Property.
- (2) After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - (a) Someone insured by this insurance; or
  - (b) A business firm:
    - (i) Owned or controlled by you; or
    - (ii) That owns or controls you.

This will not restrict your insurance.

**2. GENERAL CONDITIONS**

**a. Concealment, Misrepresentation Or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- (1) This Coverage Part;

- (2) The Covered Property;
- (3) Your interest in the Covered Property; or
- (4) A claim under this Coverage Part.

**b. Control Of Property**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**c. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**d. Liberalization**

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

**e. No Benefit To Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**f. Policy Period**

We cover loss or damage commencing:

- (1) During the policy period shown in the Declarations; and
- (2) Within the coverage territory.

**g. Coverage Territory**

We cover property wherever located within:

- (1) The United States of America;
- (2) Puerto Rico; and
- (3) Canada.

## **g. Valuation**

- (1) The value of your personal property held for sale or rental will be replacement cost (without deduction for depreciation). Property of others in your care custody and control will be valued at actual cash value or, if greater, the amount for which you are contractually liable.
- (2) You may make a claim for "loss" covered by this insurance on an actual cash value basis instead of a replacement cost basis. In the event you elect to have "loss" settled on an actual cash value basis, you may still make a claim for replacement cost coverage if you notify us of your intent to do so within 180 days after the "loss".
- (3) We will not pay on a replacement cost basis for any "loss";
  - (a) Until the Covered Property is actually repaired or replaced; and
  - (b) Unless the repairs or replacement are made as soon as reasonably possible after the "loss".
  - (c) We will pay for "loss" on a replacement cost basis (without deduction for depreciation), but not exceeding the least amount of:
    - (i) The Limit of Insurance applicable to the Covered Property;
    - (ii) The cost to replace the Covered Property with other property:
      - (a) Of comparable material and quality; and
      - (b) Used for the same purpose; or
    - (iii) The amount you actually spend that is necessary to repair or replace the Covered Property.
- (4) In the event of "loss", the value of Covered Property will be determined as of the time of "loss".

## **F. DEFINITIONS**

1. "Employee" means an individual whose service or work is or was engaged and directed on a daily basis by you or a supervisory employee. This includes current or former full-time or part-time employees, current or former supervisory employees, and applicants for employment. Employee does not mean statutory independent contractors, seasonal or temporary workers, leased employees or volunteers.
2. "Flood" means flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.
3. "Loss" means accidental loss or damage.
4. "Mobile Equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
  - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - b. Vehicles maintained for use solely on or next to premises you own or rent;
  - c. Vehicles that travel on crawler treads;

- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted.
    - (1) Power cranes, shovels, loaders, diggers or drills; or
    - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
  - e.** Vehicles not described in Paragraphs a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lightning and well servicing equipment; or
    - (2) Cherry pickers and similar devices used to raise or lower workers.
  - f.** Vehicles not described in Paragraphs a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
    - (1) Equipment designed primarily for:
      - (a) Snow removal;
      - (b) Road maintenance, but not construction or resurfacing; or
      - (c) Street cleaning;
    - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
    - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
  - g.** However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
- 5.** "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

**PRAETORIAN INSURANCE COMPANY**

This endorsement changes the  
Rental Equipment Coverage Form

-- PLEASE READ THIS CAREFULLY --

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**DEDUCTIBLE WAIVER FOR GLOBAL POSITIONING OR RADIO  
FREQUENCY RECOVERY SYSTEM**

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**HOW MUCH WE PAY**

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The following is added under D. Deductible:

In the event of a theft "loss" of covered property we agree to waive your deductible if any piece of stolen equipment is protected by an operational Global Positioning or Radio Frequency Recovery System.

In the case of the loss of multiple items covered by this coverage form in the same occurrence, if at least one of the items has an "operational" global positioning or radio frequency recovery system the deductible waiver will apply.

For the purposes of this endorsement "operational" global positioning or radio frequency recovery system requires both:

- Proof of purchase of global positioning or radio frequency recovery system attached as part of the equipment at the time of purchase or added at a later date **and**
  - Proof of purchase of on going monitoring through an authorized global positioning or radio frequency recovery system at the time of the loss
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARKANSAS CHANGES**

This endorsement modifies insurance provided under the following:

### **RENTAL EQUIPMENT COVERAGE FORM**

The LOSS CONDITIONS Appraisal n is replaced by the following:

#### **b. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. . Any outcome of the voluntary appraisal will not be binding on either party. Each party will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

The GENERAL CONDITIONS Legal Action Against Us is replaced by the following

#### **c. Legal Action Against Us**

No one may bring a legal action against us under t his Coverage Part unless:

- (1) There has been full compliance will all the terms of this Coverage Part;
- (2) The action is brought within five (5) years after you first have knowledge of the direct loss or damage.

All other terms and conditions remain unchanged.