



## Protection for the Lessee on Leased Equipment

The MailProtect Equipment Insurance Program protects your leased equipment and your investment in your company. Protecting your leased equipment is a smart move. It puts you in compliance with your lease agreement, and keeps your business and critical mailing operations running after a loss. The MailProtect program is affordable, simple and dependable. There is fast replacement of your covered equipment, no deductible for losses exceeding \$100, and your MailProtect program price will not increase for the life of your lease. Typical business owners' policies cover replacement cost minus depreciation and you have to make up the rest. With MailProtect, the full replacement is covered.

### Program Benefits

- ✓ Protection of your leased mailing equipment against unexpected perils
- ✓ Financial protection against claims on leased equipment
- ✓ Peace of mind – no worries about long-term disruption to critical mailing operations as a result of an unexpected disaster
- ✓ Low-cost protection
- ✓ No deductibles for losses exceeding \$100 – automatic replacement or repair of mailing equipment
- ✓ Convenience of being billed as a consolidated payment with lease - service and meterrental all on one invoice
- ✓ Full transparency and visibility of cost

### How the Program Works

MailFinance's MailProtect program is simply an equipment insurance program for unexpected or unavoidable physical loss or damage. It applies only to customers who haven't provided proof of other coverage on the leased equipment. Examples of covered causes of loss include: windstorm, hurricane and tornado, vandalism, accidental damage, fire, water damage, flood and lightning.

- The charge will be part of your regular lease invoice
- Special form insurance, subject to standard policy exclusions, protects against direct physical loss or damage to the equipment
- Provides full replacement of the equipment with like-for-like product and quality equipment up to the equal value under the same lease
- Price remains the same for the term of the lease – no annual renewals
- Equipment is covered while located anywhere in the United States and Canada
- The program covers all eligible mail machines and other eligible equipment on a MailFinance lease

### Description of Coverage

Coverage begins upon delivery of the leased equipment and the commencement of the lease agreement. Coverage ends at the expiration of the lease agreement or the date that you cancel coverage by providing proof of other insurance on the leased equipment. Coverage also ends if you fail to make your regular lease payment according to the Product Lease Terms and Conditions. You may cancel coverage at any time by providing us with proof that you have acceptable insurance covering the leased equipment. All losses to the leased equipment are covered under this program except for the following:

1. Loss of market, delay in transit, obsolescence, business interruption or any other consequential or indirect loss.

2. Internal causes of loss, including, but not limited to:
  - a. Moths, rodents, vermin, termites or other insects, inherent vice, gradual deterioration, latent defect, wear and tear;
  - b. Mechanical or electrical breakdown, including rupture or bursting caused by centrifugal force;
  - c. Error, omission or deficiency in material, design, specifications or workmanship;
  - d. Processing operations of computer equipment;
  - e. Any other cause of loss, which requires preventive, regular or corrective maintenance and is not caused by any external cause of loss.
  - f. If loss resulting from a covered cause of loss occurs, WE will pay for that resulting loss.
3. Dampness of atmosphere, dryness of atmosphere, wet or dry rot, freezing, heating, evaporating, marring, scratching, rust or corrosion, contamination, change in color or finish, unless caused by or resulting from a cause of loss not excluded elsewhere in this Policy.
4. Shortage of equipment, which is discovered on taking inventory.
5. Dishonest or criminal acts, including but not limited to:
  - a. Misappropriation;
  - b. Conversion;
  - c. Skip,
 by YOU, YOUR LESSEES or any of YOUR or YOUR LESSEES' partners, shareholders, directors, trustees or authorized representatives:
  - (1) Whether acting alone or in collusion with others; or
  - (2) Whether or not occurring during the hours of employment.
 This exclusion does not apply to YOUR or YOUR LESSEES' employees, provided they are not also YOUR or YOUR LESSEES' partners, shareholders, directors, trustees or authorized representatives.
6. Abandonment.
7. Theft or vandalism and malicious mischief to pay telephones, vending machines, vending apparatus or coin- or currency-operated apparatus and any device attached to or controlled by them, while located outside of an enclosed building, whether attached to a building or not.
8. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased to YOU or YOUR LESSEES, or operated under YOUR or YOUR LESSEES' control. If loss by fire or combustion explosion results, WE will pay for that resulting loss. WE will also pay for loss caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
9. War and military and government action:
  - a. War, including undeclared or civil war; or
  - b. 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;
  - c. Insurrection, rebellion, revolution, civil war, usurped power, terrorism or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine, or customs regulations, confiscation by order of any government or public authority, or risk of contraband or illegal transportation or trade.
10. Nuclear reaction, radiation or radioactive contamination, however caused. If loss by fire results, WE will pay for the resulting Loss.
11. Any earth movement, resulting from an earthquake, such as earth sinking, earth rising or earth shifting. If loss by fire, explosion or water results, WE will pay for the resulting loss.
12. The release, discharge or dispersal of contaminants or pollutants on, under or above the surface of covered equipment. WE will pay for loss resulting from smoke or soot generated by a fire or from water, fire suppression system chemicals or other nontoxic and nonhazardous substances which are harmful to the covered equipment but not to the general environment or human life.
13. The weight of the load imposed on a machine exceeding the capacity for which such machine was designed.
14. Liability claims are not covered:
  - a. WE will not pay for any claims YOU or YOUR LESSEES become legally liable to pay because of bodily injury or property damage.

## Frequently Asked Questions

### What if I want to cover the equipment using MailFinance's MailProtect program?

Simply pay the insurance charge that will be added to each of your remaining lease invoices. There is nothing more for you to do. The equipment is automatically covered, unless your agent or broker verifies that you have your own insurance.

### Is my own insurance policy good enough?

Your policy may still leave you at risk for certain perils, and you may be subject to large deductibles, rate hikes, or coverage cancellation. See the comparison below.

Category	Our MailProtect Program	A Standard Commercial Policy
<b>DEDUCTIBLE</b>	<b>No deductible</b> for losses exceeding \$100.	Deductible varies but typically ranges from \$250 to over \$1,000.
<b>REPLACEMENT COVERAGE</b>	Our in-house Claim Center works with your vendor to quickly get your equipment repaired or replaced with new equipment. There is <b>no penalty for depreciation</b> .	Most commercial policies are issued on replacement cost basis. Your payment would be calculated based on what it was worth at the time of loss.
<b>COVERED LOSSES</b>	Broader protection includes standard policy coverage <b>plus</b> losses caused by <b>water damage and flood, power surge, employee theft</b> , and many more.	Typically excludes coverage for flood, water damage, power surge, and employee dishonesty.
<b>COST</b>	<b>Charge is fixed.</b> No limit to the number of times equipment can be replaced if loss is a covered event. No increases in cost as a result of a claim.	Premium is not fixed and may increase annually, after an insurance claim, or as your business grows. Policy can be cancelled due to loss experience.
<b>GEOGRAPHIC LOCATION</b>	Location of equipment does not determine the rate. Your insurance rate is the same, no matter where your equipment is located.	Rates vary by geographic location.
<b>RATINGS</b>	Insurance is provided by Great American Assurance Company, rated 'A' (Excellent) by A.M. Best Company.	Provider ratings vary based on the stability and available capital of the insurance carrier.

### Is water damage covered under MailFinance’s program?

Yes, all types of water damage are covered, including flood and hurricane. If you experience a water-damage loss and file a claim, you can rest assured that our coverage will not be cancelled and that insurance charges will not be increased as a result.

### How do I confirm that the equipment is covered under my own insurance policy?

The easiest way is for you to ask your insurance agent or broker to call our Insurance Center at 866.223.6378.

### What if I have a claim?

Please call our Claim Center immediately at 800.833.3549 to report the details of your loss.

### What if I have further questions about MailFinance’s MailProtect program?

Please call our Insurance Center at 866.223.6378 from 6:00 a.m. to 5:00 p.m. (Pacific Time) or send an e-mail to [cs-seattle@gaic.com](mailto:cs-seattle@gaic.com). Our knowledgeable representatives will be happy to answer any questions you may have.

### How do I opt-out of the MailProtect program?

You may cancel coverage at any time by providing us with proof that you have acceptable insurance covering the leased equipment. The easiest way is for you to ask your insurance agent or broker to call our Insurance Center at 866.223.6378 to provide proof of coverage.