

## Low, fixed costs you can count on.

Rising insurance costs can hit small business owners hard. The cost of comprehensive protection for financed or leased equipment through the American Lease Insurance Program is affordable – and predictable. You can count on your periodic insurance program charge to stay the same, because it's locked in for the term of your contract.

## FAST REPLACEMENT. NO DEDUCTIBLE.

The American Lease Insurance Program provides replacement cost coverage for financed or leased equipment. Typical commercial insurance policies cover only "actual cash value," which is replacement cost minus depreciation – and you have to make up the rest. Not with the American Lease Insurance Program. There's not even a deductible to pay. For every covered loss, the equipment will be repaired if possible, or replaced – unless, in the case of a total loss, the financing/leasing company chooses to receive stipulated loss value instead. Our loss reporting process is quick and simple to complete. We even coordinate delivery and installation of new equipment – and we do it fast. We know you need that equipment to stay in business.



## THE CHOICE OF SMALL BUSINESSES.

See for yourself why so many small businesses agree that the American Lease Insurance Program offers better protection for financed or leased equipment. Compare the costs and benefits of insurance you can get elsewhere to the American Lease Insurance Program – and make the choice that makes sense for you.

- ★ **Comprehensive protection**
- ★ **Replacement cost coverage**
- ★ **Fixed, affordable cost**
- ★ **No deductible**

## FIND OUT MORE.

For more information about the American Lease Insurance Program, please visit us at [www.aliac.net](http://www.aliac.net).

*The information in this brochure is general in nature and does not amend or affect the Leased and Financed Equipment Insurance Policy ("Policy") issued to the financing/leasing company policyholder. The Policy provides insurance coverage on the equipment and to the financing/leasing company, but not to the borrower/lessee customer. The Policy is underwritten by a surplus lines insurer rated "A+" XV (Superior) by A.M. Best Company, and contains a complete list of terms, conditions, and exclusions to which the American Lease Insurance Program is subject. Risks placed with a surplus lines insurer must be placed in accordance with state and federal law, including applicable surplus lines laws. Surplus lines insurers do not generally participate in State Guaranty Funds and thus insureds are not protected by such funds.*

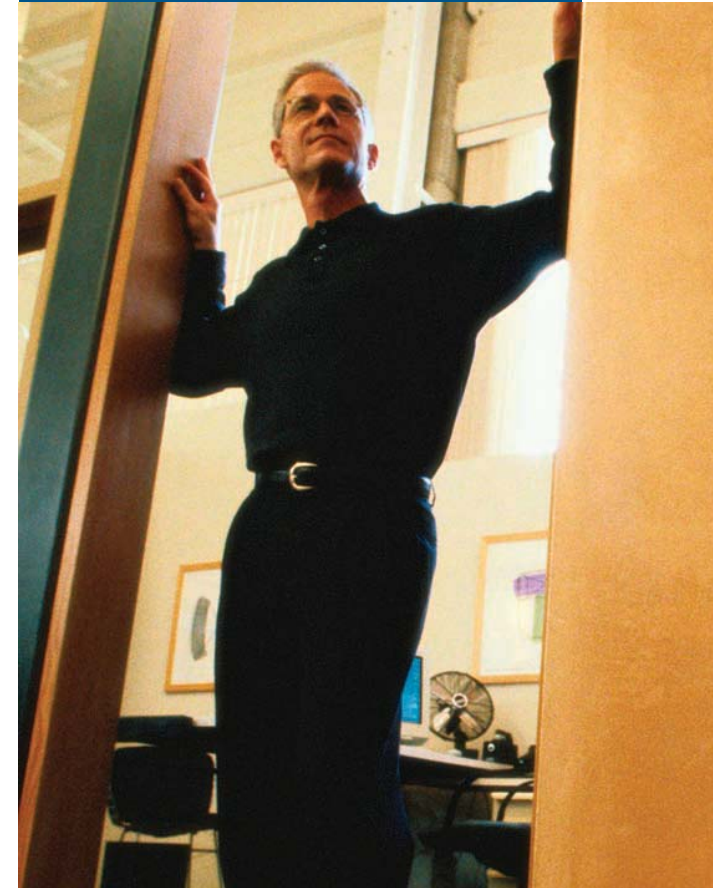
The American Lease Insurance Program is provided by, and is a service mark of, the American Lease Insurance Agency Corporation.



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## The American Lease Insurance Program<sup>SM</sup>

*The best protection  
you can afford.*



## Protect your equipment – and your business.



When you finance or lease equipment for your business, you know insurance is required by your contract. The better the insurance that covers the equipment you are financing or leasing, the better it will protect your business. Go ahead, compare coverage you can buy elsewhere. You'll see why smart business owners who finance or lease equipment choose the American Lease Insurance Program<sup>SM</sup> for better protection – that's more economical, too.

### BROADER PROTECTION.

How well could your business operate without your financed or leased equipment? In addition to satisfying your contractual requirements, insuring your financed or leased equipment helps preserve your ability to continue doing business should you experience a loss. Unfortunately, the coverage available through most commercial policies doesn't offer the exceptional protection available through the American Lease Insurance Program. Most policies don't cover a flood loss or illegal taking of equipment without add-on coverage that costs extra.

The American Lease Insurance Program does.

### EXCEPTIONAL COVERAGE FOR LEASED EQUIPMENT.

The American Lease Insurance Program protects covered equipment from external causes of loss, including the following:

- ★ **Flood**
- ★ **Theft** - including burglary, robbery by violence or threat, or illegal taking
- ★ **Windstorm** - tornado, cyclone, hurricane, or hailstorm
- ★ **Accidental damage**
- ★ **Fire**
- ★ **Power surge**
- ★ **Terrorism**

Equipment is covered while located anywhere in the United States of America (including its territories and possessions) and Canada.

#### Not covered.

*Losses of \$250 or less are not covered under the American Lease Insurance Program. Causes of loss which are not covered include, but are not limited to, the following:*

- *Dishonest or criminal acts by a borrower, lessee or a borrower's/lessee's authorized representative*
- *Earthquake*
- *Mechanical breakdown*
- *Wear and tear*
- *Mold*
- *Military or governmental action, or war*
- *Nuclear reaction, radiation, or radioactive contamination*
- *Rust or corrosion*
- *Pollution, contamination, or asbestos*

**PLEASE NOTE:** The American Lease Insurance Program cannot be used to cover any equipment used in logging or lumbering, equipment used underground, or for oil or gas exploration or processing. Highway-use vehicles, aircraft, and watercraft are also excluded.

#### Property coverage.

The American Lease Insurance Program provides coverage benefiting you and your business on equipment you finance or lease through the financing/leasing company. Under this program, the financing/leasing company is the only insured policyholder, and the party paid in the event of a total loss when the equipment is not replaced.

#### Liability coverage.

The American Lease Insurance Program provides property insurance on covered equipment. If your contract is a lease, it will also provide contingent liability insurance, but only for the lessor. **The American Lease Insurance Program does NOT cover liability claims for property damage or bodily injury against any lessee.**

### IMPORTANT TERMS.

**Borrower/Lessee Customer:** a person, corporation, company, or other legal entity that has entered into a written agreement with a financing/leasing company for the financing or leasing of equipment.

**Cause of loss:** any occurrence that causes loss or damage to covered equipment.

**Covered equipment:** equipment (except specifically excluded) financed or leased by your financing/leasing company under individual contracts to customers.

**Limits of coverage:** A. \$250,000 per occurrence to any asset of covered equipment under a loan or lease with your financing/leasing company; B. \$2,500,000 for any single occurrence for all covered equipment insured under the policy.

**Loss:** theft, damage, or destruction of covered equipment.

**Occurrence:** any accident, loss, or disaster, or series of accidents, losses, or disasters, arising out of one event.

**Replacement cost:** the cost to replace covered equipment with equipment similar in kind and quality at the time of loss with no deduction for depreciation.

**Stipulated loss value:** the financing/leasing company's net investment in covered equipment as given in schedules showing final payments, outstanding balances or net payoff amounts at the time of a loss; in no event will this amount exceed the original cost of the covered equipment or the limits of coverage.