

Rental Car Collision/Loss Damage Certificate of Insurance

This Certificate of Insurance contains information about your insurance. Please read it carefully and keep it in a safe place. Refer to the Definitions section or to the applicable description of benefits and the paragraph following this one for the meanings of all capitalized terms.

The coverage outlined in this Certificate of Insurance is effective as of March 22, 2013, and is provided to eligible *Scotia Momentum® for business* VISA® Cardmembers by American Bankers Insurance Company of Florida (hereinafter referred to as the "Insurer") under Group Policy No. **BNS032013** (hereinafter referred to as the "Policy") issued by the Insurer to The Bank of Nova Scotia (hereinafter referred to as the "Policyholder").

The terms, conditions and provisions of the Policy are summarized in this Certificate of Insurance, which is incorporated into and forms part of the Policy. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which benefits will be provided. You or a person making a claim under this Certificate may request a copy of the Policy and/or copy of your application for this insurance (if applicable) by writing to the Insurer at the address shown below.

The Insurer's Canadian head office is located at 5000 Yonge Street, Suite 2000, Toronto, Ontario M2N 7E9.

Claim payment and administrative services are provided by *Scotia Assist*.

In no event will a corporation, partnership or business entity be eligible for the insurance coverage provided by this Certificate of Insurance.

1. DEFINITIONS

In this Certificate of Insurance, the following words or phrases have the meanings set forth below:

Account means the Cardmember's *Scotia Momentum for business* VISA card Account, which must be in Good Standing with the Policyholder.

Cardmember means any Cardmember who is a natural person resident in Canada to whom a *Scotia Momentum for business* VISA card is issued and whose name is embossed on the card. The Cardmember may also be referred to herein using "You" and "Your".

Car Sharing means a car rental club that provides its members with 24-hour access to a fleet of cars parked in a convenient location.

Dollars and "\$" means Canadian dollars.

Good Standing means, with respect to an Account, that the Cardmember has not advised the Policyholder to close it or the Policyholder has not suspended or revoked credit privileges or otherwise closed the Account.

Insured Person means a Cardmember and any other person who holds a valid driver's license and has the Cardmember's express permission to operate the rental vehicle. This includes drivers not listed on Your rental contract, provided they would otherwise qualify under the rental contract.

Loss of Use means the amount charged by a rental agency to compensate it when a rental vehicle is unavailable for rental while undergoing repairs for damage incurred during the rental period.

Scotia Assist means the Insurer in relation to claim payment and administrative services.

2. ELIGIBILITY

You are eligible for Rental Car Collision/Loss Damage (CLD) insurance when You rent most private passenger vehicles for a period not to exceed 48 consecutive days, provided that:

- a) You initiate the rental transaction with Your card (if arranged in advance, by booking or reserving the car rental with Your card) and by providing a Card imprint at the time You take possession of the car;
- b) You decline the rental agency's collision damage waiver (CDW) or loss damage waiver (LDW), or similar provision; and
- c) You rent the car in Your name and charge the entire cost of the car rental to Your Account.

Coverage is limited to one rental vehicle at a time, i.e. if during the same period there is more than one vehicle rental charged to the Account, only the first rental will be eligible for these benefits.

The length of time You rent the vehicle must not exceed forty-eight (48) days. If the rental period exceeds 48 days, no coverage will be provided, even for the first 48 days of the rental period. Coverage may not be extended for more than 48 days by renewing or taking out a new rental agreement with the same or another rental agency for the same vehicle or another vehicle.

In some jurisdictions, the law requires the rental agencies to provide CDW or LDW in the price of the car rental. In these locations, CLD insurance will provide coverage of any deductible that may apply, provided all the procedures outlined in this Certificate have been followed and You have waived the rental agency's deductible waiver. No CDW or LDW premiums charged by rental agencies will be reimbursed under the Policy.

Notes:

- Rental vehicles which are part of pre-paid travel packages are eligible for CLD insurance if the total package was charged to Your Account and all other eligibility requirements are met.
- Rental vehicles which are part of a Car Sharing program are eligible for CLD insurance if the full cost of each rental of a vehicle (per use and mileage charges) was charged to Your Account and all other eligibility requirements are met.
- "Free rentals" are also eligible for CLD insurance when received as the result of a promotion where You have had to make previous vehicle rentals, and each such previous rental satisfied the eligibility conditions set out in paragraphs a) through c).
- You are covered if You receive a "free rental" day or days as a result of an airline point program (or other similar program) for the number of days of free rental. If the free rental day(s) are combined with rental days for which You pay the negotiated rate, You must satisfy the eligibility conditions set out in paragraphs a) through c).

3. BENEFITS

CLD insurance is primary insurance which pays the amount for which You are liable to the rental agency up to the actual cash value of the damaged or stolen vehicle as well as any valid and documented Loss of Use, reasonable and customary towing charges, and administration charges resulting from damage or theft occurring while the rental vehicle is rented in Your name. This includes damage resulting from malicious vandalism and theft. Benefits are limited to one vehicle rental during any one period.

This coverage is available on a 24-hour basis anywhere in the world, except where prohibited by law, or where the coverage is in violation of the terms of the rental contract in the jurisdiction in which it was formed. (See the section "Helpful Hints" for tips on how to avoid having use of this coverage challenged.)

4. TYPES OF RENTAL VEHICLES COVERED

The types of rental vehicles covered include cars, sports utility vehicles and mini-vans (as defined below).

Mini-vans are covered provided they:

- a) are for private passenger use with seating for no more than 8 occupants including the driver; and
- b) are not to be used for hire by others.

5. TYPES OF RENTAL VEHICLES NOT COVERED

Vehicles which belong to the following categories are NOT covered:

- a) vans, other than mini-vans as described above;
- b) trucks, pick-up trucks or any vehicle that can be spontaneously reconfigured into a pick-up truck;
- c) off-road vehicles;
- d) motorcycles, mopeds or motorbikes;
- e) campers, trailers or recreational vehicles;
- f) vehicles not licensed for road use;
- g) mini-buses or buses;
- h) antique cars (cars which are over 20 years old or have not been manufactured for 10 years or more);
- i) any vehicle which is either wholly or in part hand-made, hand finished or has a limited production of under 2,500 vehicles per year;
- j) any vehicle with a manufacturer's suggested retail price excluding all taxes, over sixty-five thousand dollars (\$65,000), at the time and place of loss;
- k) tax-free cars (a tax-free car package that provides tourists with a short-term (17 days to 6 months), tax-free vehicle lease agreement with a guaranteed buyback);
- l) vehicles towing or propelling trailers or any other object; and;
- m) expensive or exotic vehicles.

6. LIMITATIONS AND EXCLUSIONS

CLD insurance does NOT include coverage for:

- a) a replacement vehicle for which Your personal automobile insurance or the repair shop is covering all or part of the cost of the rental;
- b) loss or theft of personal belongings in the vehicle;
- c) third party liability (injury to anyone or anything inside or outside the vehicle);
- d) expenses assumed, paid or payable by the rental agency or its insurers; or
- e) damage/loss arising directly or indirectly from:
 - (i) operation of the vehicle by any driver other than an Insured Person;
 - (ii) operation of the vehicle on other than regularly maintained roads;
 - (iii) alcohol intoxication where the driver's blood alcohol concentration is equal to or over the blood alcohol concentration limit for impaired driving under the Criminal Code of Canada or the jurisdiction in which the vehicle rental occurred, if lower, or where the driver is charged for impaired driving;
 - (iv) use of narcotic drugs by the driver;
 - (v) any dishonest, fraudulent or criminal act committed by the Insured Person and/or any authorized driver;
 - (vi) operation of the rental vehicle contrary to the terms of the rental agreement/contract;
 - (vii) wear and tear, gradual deterioration, or mechanical breakdown of the vehicle;
 - (viii) road damage to tires unless in conjunction with an insured cause;
 - (ix) insects or vermin, inherent vice or damage;
 - (x) war, hostile or warlike action, insurrection, rebellion, revolution, civil war, usurped power, or action taken by government or public authority in hindering, combating, or defending against such action;
 - (xi) seizure or destruction under quarantine or customer regulations, confiscation by order of any government or public authority;
 - (xii) transportation of contraband or illegal trade;
 - (xiii) transportation of property or passengers for hire; or
 - (xiv) nuclear reaction, radiation or radioactive contamination.

7. HELPFUL HINTS

Important: Check with Your personal insurer and the rental agency to ensure that You and all other drivers have adequate personal property, personal injury and third party liability coverages. The Policy only covers loss or damage to the rental vehicle as stipulated therein.

- a) Some rental agencies may resist Your declining their CDW/LDW coverage. They may try to encourage You to take their coverage. If You refuse, they may insist You provide a deposit.

Before booking a car, confirm that the rental agency will accept CLD insurance without requiring a deposit. If they won't, find one that will, and try to get written confirmation. If booking your trip through a travel agency, let them know you want to take advantage of CLD Insurance and have them confirm the rental agency's willingness to accept it.

You will not be compensated for any payment You may have to make to obtain the rental agency's CDW/LDW.

- b) Check the rental car carefully for scratches, dents and windshield chips and point out any damage to the agency representative before You take possession of the car. Have them note the damage on the rental agreement, or ask for another vehicle.
- c) If the vehicle sustains damage of any kind, immediately phone *Scotia Assist* by calling **1 800 263-0997** from within Canada and the United States, or by calling **416-977-1552** locally or collect from other countries. Advise the rental agent that You have reported the claim and provide *Scotia Assist*'s phone number. *Do not sign a blank sales draft to cover the damage and Loss of Use charges.*

8. GENERAL PROVISIONS AND STATUTORY CONDITIONS

Unless otherwise expressly provided herein or in the Policy, the following general provisions apply to the benefits described in this Certificate of Insurance.

Due Diligence

The Insured Person shall use diligence and do all things reasonable to avoid or diminish any loss or damage under the Policy.

Notice and Proof of Claim

Immediately after learning of a loss or an occurrence which may lead to a loss covered under the Policy, You must notify *Scotia Assist* by calling **1 800 263-0997** from within Canada and the United States, or by calling **416-977-1552** locally or collect from other countries. You will then be sent a claim form.

Written notice of claim must be given to *Scotia Assist* as soon as reasonably possible after a claim occurs, but in all events provided within 90 days from the date on which loss occurred.

Failure to provide notice or furnish proof of claim within the time prescribed herein does not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible, and in no event later than 1 year from the date a claim arises hereunder, if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed. If the notice or proof is given or furnished after 1 year, Your claim will not be paid.

Payment of Claim

Benefits payable under the Policy will be paid upon receipt of full written proof, as determined by *Scotia Assist*.

Subrogation

Following payment of an Insured Person's claim for loss or damage under the Policy, the Insurer shall be subrogated to the extent of the amount of such payment, to all of the rights and remedies of the Insured Person against any party in respect of such loss or damage, and shall be entitled at its own expense to sue in the Insured Person's name. The Insured Person shall give the Insurer all such assistance as the Insurer may reasonably require to secure its rights and remedies, including the execution of all documents necessary to enable the Insurer to bring suit in the name of the Insured Person.

Coverage Termination

Coverage under the Policy ends at the earliest of:

- a) the date and time the rental agency reassumes control of the rental vehicle, whether at its place of business or elsewhere;
- b) the date the Insured Person ceases to be eligible for coverage;
- c) the date the Account is cancelled or closed or ceases to be in Good Standing; and
- d) the date the Policy terminates.

No benefits will be paid under the Policy for losses incurred after coverage has terminated, unless otherwise specified or agreed.

False Claim

If You make any claim knowing it to be false or fraudulent in any respect, You shall no longer be entitled to the benefits of this insurance nor to the payment of any claim under the Policy.

Legal Action

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the *Insurance Act*, *Limitations Act* or other applicable legislation in Your province or territory.

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