

THE STATE OF SOUTH CAROLINA
In The Court Of Appeals

APPEAL FROM BAMBERG COUNTY
Court of Common Pleas

Doyet A. Early, III, Circuit Court Judge

Case No. 2008-CP-05-0127
Case Tracking No. 2010-181986

Aequicap Insurance Company, Appellant,
v.

Eddie Reese Best, Travis Scott, d/b/a Fiscal Transport; F.I.S.C.A.L. Transportation, LLC; Estate
of James Buchanan, and Roger Pelote, Defendants,

Of Whom Estate of James Buchanan and Roger Pelote are Respondents.

**RECORD ON APPEAL
VOLUME II**

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STATE OF SOUTH CAROLINA
COUNTY OF BAMBERG

IN THE COURT OF COMMON PLEAS
C.A. No.: 2008-CP-05-127

AEQUICAP INSURANCE COMPANY,
Plaintiff,

VS

EDDIE REESE BEST; TRAVIS SCOTT
d/b/a FISCAL TRANSPORT; F.I.S.C.A.L.
TRANSPORTATION, LLC; ESTATE OF
JAMES BUCHANAN; AND ROGER PELOTTE,

Defendants.

TELEPHONIC

DEPOSITION OF: MARILYN PETERSON
DATE: July 6, 2010
TIME: 2:00 p.m.
LOCATION: Offices of
SMITH, MOORE, LEATHERWOOD
300 E. McBee Avenue, Suite 500
Greenville, SC 29601

TAKEN BY: Counsel for the Plaintiff

REPORTED BY: MICHELE E. BECKER,
Registered Professional Reporter

A. WILLIAM ROBERTS, JR., & ASSOCIATES

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1 P-R-O-C-E-E-D-I-N-G-S

2 MR. MOSELEY: This is the deposition
3 of Marilyn Peterson taken by telephone.

4 Due to the late date and the
5 impossibility of getting a transcript from Florida,
6 I have a court reporter with me in Greenville and
7 Ms. Peterson is in South Florida for her deposition.
8 And the parties have stipulated that we will accept
9 her being sworn remotely.

10 MARILYN PETERSON

11 being first duly sworn, testified as follows:

12 EXAMINATION

13 BY MR. MOSELEY:

14 Q Ms. Peterson, I'm your lawyer. I
15 represent Aequicap Insurance Company. I'm going to
16 ask you some questions.

17 What's your full name, please?

18 A Marilyn Peterson.

19 Q And where do you work?

20 A At Aequicap Insurance Company.

21 Q And what is your role with Aequicap
22 Insurance?

23 A I'm vice president of underwriting
24 compliance.

25 Q Okay. And did Aequicap issue Policy

1 Number TC025758 to Travis Scott at d/b/a Fiscal
2 Transport?

3 A Yes.

4 Q Have you seen that policy?

5 A Yes.

6 Q Okay. And for the record we've marked
7 that policy as Plaintiff's Exhibit 1 to this
8 deposition.

9 A Yes.

10 (Exh. No. 1, AequiCap Insurance Policy, was marked for
identification.)

11 BY MR. MOSELEY:

12 Q Does that policy require the
13 pre-approval of drivers?

14 A Yes.

15 Q Okay. Is that a commercial policy?

16 A Yes.

17 (Exh. No. 3, Application, was marked for identification.)

18 BY MR. MOSELEY:

19 Q Have you reviewed the application
20 which we've marked for the purposes of this
21 deposition as Exhibit 3?

22 A Yes.

23 Q Does that application make reference
24 to pre-approval of drivers?

25 A Yes.

1 Q And particularly I'd ask you on Page 3
2 is that where the insured or the prospective insured
3 would find that information?

4 A Yes.

5 Q Okay. Would it be accurate to say
6 that there was notice to Mr. Scott about needing
7 pre-approval of drivers on this policy?

8 A Yes.

9 Q Okay. And now I'm going to refer you
10 to Plaintiff's Exhibit Number 1 which is the policy.
11 If you would refer to Page 49 of that policy which
12 we've Bates stamped. Does that page represent the
13 changes to the policy for the pre-approval process?

14 A Yes.

15 MR. LUGINBILL: That was page what?

16 MR. MOSELEY: Page 49. Bates Stamp
17 49. Were you able to find it?

18 THE DEPONENT: Yes.

19 MR. LUGINBILL: I'm just scrolling
20 down to get to it.

21 MR. MOSELEY: I'm sorry. I was
22 talking to Dan.

23 THE DEPONENT: Okay. I'm sorry.

24 MR. MOSELEY: Dan, I'm going to wait
25 till you get to it before I start rolling.

1 You got it, Dan?

2 MR. LUGINBILL: Yeah. Go ahead.

3 BY MR. MOSELEY:

4 Q Okay. And was a driver named Eddie
5 Best approved pursuant to that procedure prior to
6 this accident?

7 A No. He was not approved prior to the
8 accident.

9 Q Okay. And after the accident occurred
10 did the underwriting department go through the
11 submission process?

12 A They reviewed the motor vehicle report
13 and the driver was unacceptable due to his motor
14 vehicle violations.

15 Q Okay. And you've got a copy of what
16 we've marked as Exhibit Number 2. Is that a part of
17 that underwriting process?

18 A Yes.

19 Q And what is Exhibit Number 2?

20 A Exhibit Number 2 is the motor vehicle
21 report for Eddie Reese Best.

22 Q Okay.

23 A And his motor vehicle report indicates
24 he had multiple violations which exceeded the
25 underwriting guidelines.

1 Q Okay. So Mr. Best did not meet the
2 underwriting criteria?

3 A He was not submitted prior to the
4 incident -- the accident occurring as required by
5 the application as well as the policy. And based on
6 reviewing of his motor vehicle report he was
7 unacceptable.

8 Q Okay. So if he would have been
9 submitted prior to the accident what would the
10 result have been?

11 A He would have still been excluded
12 because he was an unacceptable driver.

13 MR. MOSELEY: Okay. All right.
14 Please answer any questions that the other lawyers
15 may have for you.

16 EXAMINATION

17 BY MR. LUGINBILL:

18 Q Ms. Peterson, what are the guidelines
19 with regard to motor vehicle violations?

20 A On this particular case I don't have
21 the underwriting manual in hand to give you the
22 exact ones. For this particular individual his
23 moving violations exceeded the eight percent -- that
24 was eight points, I'm sorry, that was allowable.

25 Q Is that a standard -- let me ask you

1 it this way.

2 Eight points as determined by whom?

3 A By the underwriting guidelines that we
4 have in place.

5 Q And do those underwriting guidelines
6 differ from the amount of points that a driver would
7 receive for a moving violation under the South
8 Carolina uniform traffic rules?

9 A It's based on our guidelines that we
10 set up internally.

11 Q So that would be a "yes," it's
12 different; is that correct?

13 A Yes. I'm assuming, yes, because I'm
14 not sure --

15 Q Your guidelines to a speeding less
16 than ten miles per hour --

17 COURT REPORTER: Can you repeat that
18 question?

19 MR. MOSELEY: Dan, can you repeat that
20 question? You-all were talking over each other for
21 a second.

22 BY MR. WINSLOW:

23 Q How many points does the guideline for
24 Aequicap apply for a violation from zero to
25 ten miles per hour?

1 A I don't have the guidelines in hand to
2 give you the exact point count. But this particular
3 individual for the number of violations exceeded the
4 eight points which is allowable in the program.

5 Q Ma'am, with all due respect what I'm
6 trying to do is get you to help me walk through his
7 driving violations, see whether in fact he really
8 does under your guidelines. So if you can't tell me
9 how many points that he specifically --

10 A Okay. Based on the reviewing of
11 Exhibit --

12 Q Are you going to tell me what the
13 total is?
14 (Dfts. Exh. No. 2, MVR - Driving Record Report, was
 marked for identification.)

15 THE DEPONENT: Based on Exhibit 2
16 where the point count is indicated, I will follow
17 through based on that, based on Exhibit 2.

18 BY MR. MOSELEY:

19 Q Stop right there. Ma'am,
20 Ms. Peterson, are the handwritten notes that are on
21 Exhibit 2, did you make those?

22 A I did not personally make them, no.

23 Q Can you tell me whether or not they
24 are accurate under the Aequicap guidelines?

25 A Yes.

1 Q Then how do you know that?

2 A This particular item I checked prior
3 to the deposition.

4 Q Okay. And checked it with what?

5 A With the guidelines.

6 Q All right. So my question to you is
7 then, since you checked with the guidelines how many
8 points does Aequicap assign for a violation from
9 zero to ten miles per hour?

10 A This one is two points for the first
11 violation indicated on this motor vehicle report.
12 The second violation indicated is as well.

13 Q Let me stop you there.

14 Does Aequicap assign two points to
15 every offered driver for a moving violation between
16 zero and ten miles per hour over the speed limit?

17 A Yes.

18 Q Now, you keep referring to this one
19 set. Is this one treated any differently than any
20 other application?

21 A You mean motor vehicle report?

22 MR. MOSELEY: Is there a question?

23 THE DEPONENT: I have a question. You
24 referenced the application.

25 Were you referring to the motor

1 vehicle report?

2 BY MR. LUGINBILL:

3 Q Yes.

4 A Okay. The same number of points would
5 be allocated to any motor vehicle report that we
6 review with the same count.

7 Q All right. And is it your testimony
8 then that a speeding from zero to ten is two points?

9 A Yes.

10 Q And how far back do you look?

11 A Three years.

12 Q Do you go by the date it was received
13 or the date of the infraction?

14 A We start with three years counting
15 from the date we started the review process. And so
16 we look at any infractions that occurred by the
17 violation date.

18 Q That's my question. You go by
19 violation date, not the date that it's actually
20 considered a conviction?

21 A Correct.

22 Q All right. And what was the day of
23 review of Mr. Best's motor vehicle record?

24 A This particular motor vehicle report
25 it was January 10th, 2008.

1 Q And you would have only looked for
2 violations going as far back as January 10th of
3 2005, correct?

4 A Repeat it, please.

5 Q You would have only considered
6 violations going as far back as January 10th of
7 2005, correct?

8 A In this case there was included -- no,
9 it would include stuff from January 10th and further
10 up to 2008 when it was reviewed. So your -- all the
11 violations on here would have been included in the
12 period. I just want to make sure I'm saying it
13 correctly for you because there is --

14 Q I think we're on the same page.

15 A Okay.

16 Q Anything after January 10th of 2005
17 would have been considered?

18 A Right.. Correct.

19 Q Now, Ms. Peterson, is there anybody
20 physically with you in the office where you're
21 taking this deposition?

22 A Not at the time. No.

23 Q You understand that under the South
24 Carolina Rules of Civil Procedure you cannot discuss
25 your answers with anybody once your deposition has

1 begun, correct?

2 A Yes.

3 Q And is it your testimony that you have
4 not discussed your answers with anyone since the
5 beginning of this deposition?

6 A Correct.

7 Q Now, I had a couple of other questions
8 related to the policy itself.

9 If you go back to Plaintiff's Exhibit
10 Number 1, and the page that's been Bates marked
11 0049, at any point did you inform Travis Scott that
12 this endorsement may not be entirely enforceable
13 under South Carolina law?

14 A The underwriting department provides
15 the documentation through the insured's agent. We
16 do not deal directly with the insured. So there
17 would never have been a point where we would have
18 discussed any of this with him directly.

19 Q Does Aequicap underwriting policy
20 inform agents directly that this endorsement may
21 violate South Carolina law?

22 A I don't know where this endorsement
23 violates South Carolina law. And we would have not
24 made that statement.

25 Q Let me ask you this, is it your

1 testimony then that Aequicap does not have knowledge
2 that an endorsement which forbids or basically does
3 not allow for the permissive use of a vehicle does
4 not violate South Carolina law, is that your
5 testimony?

6 A I'm not -- my testimony is South
7 Carolina approved this form for us to use, and we're
8 using it in reference to our (inaudible.) We're
9 using the form as authorized by South Carolina.

10 COURT REPORTER: Ma'am, you said: My
11 testimony is South Carolina approved this form for
12 us to use and we're using it in reference to what?
13 I missed what you said there.

14 THE DEPONENT: We're using the form in
15 conjunction with -- approved by the Department of
16 Insurance for South Carolina.

17 MR. LUGINBILL: Madam Court Reporter,
18 whenever you are ready I'll start.

19 COURT REPORTER: I'm ready. I'm sorry
20 about that. I'm hearing the witness by phone and I
21 had difficulty.

22 MR. LUGINBILL: I understand
23 completely.

24 BY MR. LUGINBILL:

25 Q As far as the underwriting department,

1 do you have any sort of training or are you versed
2 in the requirements for what constitutes a valid
3 policy or a valid exclusion to that policy under
4 South Carolina law?

5 A I am versed to the point that this
6 form was submitted and accepted by South Carolina.
7 If it was unacceptable the State would have not
8 allowed it to be approved.

9 Q Are you aware that in this declaratory
10 judgment action Aequicap has stipulated that you
11 cannot deny coverage completely based on this
12 endorsement?

13 A I was apprized that that is the case.
14 But minimum --

15 COURT REPORTER: You are talking over
16 each other again and we missed the complete question
17 and answer.

18 MR. LUGINBILL: There must be a delay
19 with you guys because we're not talking over each
20 other on my end. She finished talking before I
21 start. So I guess I just need to give you a little
22 bit longer delay.

23 BY MR. LUGINBILL:

24 Q Ms. Peterson, did Aequicap have actual
25 knowledge that the mandatory endorsement at issue

1 that's been Bates Marked Aequicap Number 049, do
2 they have actual knowledge that that endorsement was
3 not fully enforceable under South Carolina law?

4 A Under the law for the underwriting
5 department we were aware that it was an approved
6 form. I have no knowledge that it was an
7 unenforceable form according to the South Carolina.

8 Q So it's your testimony that prior to
9 this accident Aequicap had never tried to enforce
10 this particular provision and had been unsuccessful
11 in doing so?

12 A I can't address that. I know nothing
13 about any other prior claim that may have occurred.
14 I don't know anything about it.

15 Q I want to be very clear about this.
16 But it's my understanding that during or immediately
17 following the wreck that an agent of Aequicap, and
18 off the top of my head I'm not sure who it was,
19 indicated to Ms. Walling who was the insurance agent
20 who sold the policy, that Aequicap was, in fact,
21 aware that the endorsement at issue here was not
22 fully enforceable in South Carolina.

23 And my question to you is when did
24 Aequicap become aware of that?

25 A I can only address the issues in

1 reference to the underwriting side. I have no
2 knowledge of anything that you just identified.

3 Q Who within your company would have
4 that answer?

5 A I would -- in reference to what you're
6 describing it may be the adjustor that handled this
7 particular claim. I'm not sure exactly which
8 individual it would be.

9 Q Define for me your duties as a vice
10 president in the underwriting department.

11 A Would you restate the question again?

12 Q Define for me your duties as vice
13 president of underwriting compliance.

14 A My duties include working with the
15 underwriting teams to make sure we're in compliance
16 with the rates, rules and form requirements and any
17 programming requirements for getting the policy
18 issues, coverage issues, licensure and things of
19 that nature.

20 Q After the issuance or prior to?

21 A Both.

22 Q Is it part of your compliance duties
23 to inform prospective insureds as to the
24 enforceability of various exclusions?

25 A Underwriting doesn't deal directly

1 with the insureds. We deal with the insureds
2 agents.

3 Q Is it the duty of the underwriting
4 compliance department to make sure that agents are
5 informed that certain policies may or may not be
6 enforceable?

7 A If we have that knowledge we would
8 make those statements. But at this point in time
9 there was no indication that this form that you're
10 referring to was not acceptable within the State of
11 South Carolina. We had an approval from the State
12 of South Carolina saying this form was authorized to
13 be used.

14 Q Do you have any direct knowledge of
15 what the definition of the term "permissive user" is
16 as far as that term is used in the context of a
17 policy of automobile insurance within South
18 Carolina?

19 A No. I do not have direct knowledge of
20 permissive user.

21 Q So your decision on whether or not a
22 policy is in compliance rests solely with whether or
23 not the form itself has been approved by the South
24 Carolina Department of Insurance?

25 A I was informed by our attorney that

1 there would be the requirement in South Carolina to
2 pay the minimum financial responsibility limit, and
3 that's as much as I've been informed about that
4 issue.

5 Q Did Aequicap have knowledge that it
6 would be required to pay the minimum financial
7 responsibility limit prior to issuing this policy?

8 A Not in the underwriting side, no.

9 Q Would that information have been
10 available to any other department within Aequicap?

11 A It may have.

12 Q And which departments may have had
13 that information?

14 A I'm not sure because I don't know if
15 anybody was aware or had any knowledge.

16 Q If this policy was issued as part of
17 the consideration for selling the -- let me ask it
18 this way, strike that.

19 How do you determine what rate to
20 apply when you're issuing this particular policy?
21 What factors go into that?

22 A One of the biggest factors is in order
23 to establish the rate structure that we're going to
24 use for this particular program, you have to make
25 sure all the conditions are set forth to have a way

1 to calculate the rates. You must make sure all
2 drivers and vehicles are pre-submitted and approved
3 prior to placing in service. That is one of the
4 conditions. And for the rate structure itself we
5 use a rating service, Insurance Services Office, to
6 promulgate the rates we're going to use. But we set
7 the conditions that all vehicles and drivers must be
8 pre-submitted, so we can have a database to say
9 predictability of which vehicles and drivers will be
10 included on the policy. Without any controls we
11 can't set any rates.

12 Q For this policy respect -- what did
13 you believe the minimum required insurance on the
14 vehicle was? In other words, if you had to provide
15 the minimum required insurance under the Financial
16 Responsibility Act, what dollar amount did Aequicap
17 believe that to be when it determined which rate or
18 what rate to set for this policy?

19 A That was probably promulgated by
20 Insurance Services Office as part of the rate
21 structure that we use to set our rates.

22 Q And do you know what that is?

23 A I think what we're paying 700 -- what
24 seven -- we're paying 75,000 in reference to a
25 potentially 75,000 is a minimum financial

1 responsibility limit.

2 Q All right. And my question is when
3 setting the rate, is that the amount that you use or
4 was it the 750,000 that's required for vehicles of
5 greater than 10,000 GBWR?

6 A I don't know where the 750,000 comes
7 from for the vehicle type we're questioning. This
8 is not one of those units types that would be
9 qualified for that limit. And as for the 75,000, I
10 do not know if that was included when ISO set up the
11 rates structure that we use.

12 Q I understand your question. You don't
13 believe that this type of vehicle was required to
14 carry \$750,000, is that correct?

15 A It doesn't qualify for the minimum for
16 this particular type of unit, yes.

17 Q And what do you show as being the
18 minimum for this particular type of unit?

19 A They're not required to carry that
20 limit. The insured had selected to have a policy
21 with a million dollar limit, but they were not
22 required as in states such as South Carolina and
23 other states to have a minimum set limit required by
24 the State. This is a -- not a interstate vehicle.
25 It doesn't have a MCS90. It doesn't have a federal

1 motor carrier filing. It didn't require any of the
2 higher limits.

3 Q What was your understanding what the
4 minimum limit is for a truck of this size in South
5 Carolina?

6 A I don't have it at hand to tell you
7 the answer to that question.

8 Q And is it your testimony that you
9 would not have consulted with the South Carolina
10 code like for instance regulation 38-414 to
11 determine what that would be?

12 A If there was a set minimum we would
13 have complied with it in our underwriting guidelines
14 that we would have set forth for the State.

15 Q You keep saying that, but you can't
16 tell me where you would go to find out what that
17 limit is.

18 So my question is where would you go
19 when setting the rates for this particular policy to
20 find out what the minimum limit was?

21 A I first said the rates are not set by
22 that. The limits that you charge, the limits that
23 you charge for is set by what you were talking
24 about, the financial responsive limit. So the rates
25 are not set by that basis.

1 Q Okay. And what are they set by?

2 A That I would have to go back to the
3 Service Office that we use, Insurance Service
4 Office. They provide the base that we use to rate
5 or policies. We set the conditions to the client
6 that we will insure, but they set the base rates
7 that we use. We use our experience to develop the
8 final rate. But that is set by Insurance Services
9 Office. It is something that I don't have the
10 intricate details on how they calculate the rate.

11 Q And does that number vary state by
12 state?

13 A Correct.

14 Q In other words, if I take a certain
15 truck, ISO will say that that truck cost is, it
16 costs this much per year to insure in South Carolina
17 and something different per year in Georgia, is that
18 correct?

19 A Correct. Correct.

20 Q But you don't know how they come about
21 that difference?

22 A Different things are -- losses in the
23 location, the type of vehicles. They do all of this
24 gathering of the data and promulgate the rates.

25 Q Is it your testimony then if I

1 understand you correctly that the actual dollar
2 amount of the minimum coverage required to meet the
3 Financial Responsibility Act was not a factor in
4 calculating the premium for this vehicle?

5 A Repeat it again.

6 Q So far as Aequicap is concerned, the
7 actual dollar amount necessary to comply with the
8 Financial Responsibility Act in South Carolina was
9 not a factor that Aequicap used in setting the final
10 rates for this vehicle?

11 A Correct. The final rate was
12 determined by what was ISO standards, and the limit
13 chosen by the insured at the time the policy was
14 quoted and written.

15 Q Okay. Can you tell me what your
16 understanding of the -- strike that.

17 Are you aware of or do you have any
18 knowledge of South Carolina Regulation 38-407,
19 Subsection 4?

20 A Not -- I don't have it at hand, no.

21 Q Can you tell me whether or not that
22 subsection was in any way used to set the rate for
23 this truck?

24 A I don't have the subsection at hand so
25 I can't answer that question.

1 Q Do you believe this truck qualifies
2 for the quote "farmed market exception" unquote?

3 A I can't answer that question.

4 Q Why not?

5 A Because I don't have the information
6 pertaining to what you're asking. I don't have the
7 answer to that question.

8 Q Was that a factor that you looked at
9 in considering or that Aequicap would have looked at
10 in considering what to set the policy rates at?

11 A Repeat the question.

12 Q Would a knowledge of that regulation
13 have made any determination with regard to what the
14 final policy rate would have been for this policy?

15 A I can't answer since I don't have the
16 regulation in hand to give you the answer.

17 Q And you don't set the rate, is that
18 correct?

19 A Correct.

20 Q Who does set the rate within Aequicap?

21 A We get the rate from Insurance
22 Services Office, and to the rate we're adding our
23 loss experience and the loss experience part is
24 calculated by an actuary. But the final combination
25 to each individual count is rated per policy.

1 Q My question is who within Aequicap
2 actually does that?

3 A The underwriter that would have been
4 working on that particular policy.

5 Q And is that underwriter part of your
6 department?

7 A They're part of the underwriting
8 department, yes.

9 Q Was that operator -- do you have any
10 supervisory authority over that operator?

11 A No.

12 Q Are you expected to know what that
13 operator knows?

14 A In what reference?

15 Q Well, you're the vice president of
16 underwriting compliance. Are you expected to know
17 what that adjustor or that underwriter would know?

18 A Again --

19 Q Are you expected to have the same
20 knowledge level?

21 A I may know of some of the things
22 they're supposed to know, but again we're on
23 different levels and different functions.

24 Q So are you able to say whether or not
25 Aequicap considers Regulation 38-414 or Regulation

1 38-407, Subsection 4 in calculating rates?

2 A I can't say it so I don't have the
3 exact regulations at hand. I can't address it.

4 MR. LUGINBILL: Very well. I think
5 that's all I've got for right now.

6 MR. THOMAS: Dan, I think you covered
7 all the questions I had. So I don't have anything.

8

9 EXAMINATION

10 BY MR. MOSELEY:

11 Q Very briefly on redirect.

12 Ms. Peterson, you were asked a
13 question about whether those regulations were
14 considered in the rate. But I'm going to ask you
15 the question in a different way that maybe you can
16 understand.

17 Were there any filings requested such
18 as an MCS90 on this policy?

19 A There was no MCS90 requested for this
20 policy.

21 Q Were there any state filings requested
22 such as a Form E or a Form F?

23 A There were no Form Es or Fs requested
24 for this filing.

25 Q Okay.

1 A For this count.

2 MR. MOSELEY: All right. That's all
3 the questions I have.

4 (The Witness, after having been advised of
5 her right to read and sign this transcript, does waive
6 that right.)

7 (Deposition concluded at 2:45 p.m.)

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1 CERTIFICATE OF REPORTER

2
3 I, Michele E. Becker, Registered Professional
4 Reporter and Notary Public for the State of North Carolina
5 at Large, do hereby certify that the foregoing transcript
6 is a true, accurate, and complete record.

7 I further certify that I am neither related
8 to nor counsel for any party to the cause pending or
9 interested in the events thereof.

10 Witness my hand, I have hereunto affixed my
11 official seal this 6th day of July, 2010 at Greenville,
12 Greenville County, South Carolina.

13
14
15
16
17
18
19
20
21 _____
Michele E. Becker,

22 Registered Professional Reporter

23 My Commission expires

24 December 10, 2011
25

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1 STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

2 COUNTY OF BAMBERG

3
4 AEQUICAP INSURANCE COMPANY,

5 Plaintiff,

6 vs. CIVIL ACTION NO. 2008-CP-05-127

7 EDDIE REESE BEST; TRAVIS SCOTT D/B/A FISCAL
8 TRANSPORT; F.I.S.C.A.L. TRANSPORTATION, LLC;
9 ESTATE OF JAMES BUCHANNAN; and ROGER PELOTTE,

10 Defendants.

11 DEPOSITION OF: TIMOTHY COSTELLO

12 DATE: March 12, 2010

13 TIME: 1:58 p.m.

14 LOCATION: Lanier & Burroughs
250 Gibson Street
15 Orangeburg, SC 29116

16 TAKEN BY: Counsel for Plaintiff
Aequicap Insurance Company

17
18 REPORTED BY: RITA A. DEROUEN, Professional
Shorthand Reporter

19
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(By Telephone)

ALSO PRESENT:

Melissa Costello

(INDEX AT REAR OF TRANSCRIPT)

1 STIPULATION

2 It is stipulated by and among Counsel
3 that this deposition is being taken in accordance
4 with the South Carolina Rules of Civil Procedure,
5 Rule 30; that all objections as to Notice of this
6 deposition are hereby waived; that all objections
7 except as to form are reserved until the time of
8 trial; and that the witness does waive reading and
9 signing of this deposition.

10 * * * * *

11 TIMOTHY COSTELLO

12 being first duly sworn, testified as follows:

13 EXAMINATION

14 BY MR. MOSELEY:

15 Q. You go by Timmy?

16 A. Timmy, Tim, it don't matter. Just
17 call me anything you want.

18 Q. We met before the deposition. I'm
19 Rob Moseley, and I represent Aequicap Insurance
20 with regard to this accident. And I realize you
21 don't know much about the accident, and we don't
22 expect you to know much about the accident.

23 I want to ask you some questions
24 about your employment with -- I'm going to get it
25 wrong, it's not Mid Carolina, it's Midlands --

4

1 Midlands Timber and the logging that was happening
2 in January of 2008 in Lexington County in an area
3 that's been described as the MCM tract.

4 Does that ring a bell with you at
5 all?

6 A. I know what you're talking about, but
7 what tract it's called -- and I worked for Wayne
8 Griffis, not Mid Carolina. I reckon you call him
9 a subcontractor.

10 Q. He was a subcontractor of Mid
11 Carolina?

12 A. Yes.

13 Q. Let me get a little bit of
14 information from you before we get started.

15 Can you state your full name, please?

16 A. Timothy Costello.

17 Q. What's your home address?

18 A. 6625 Kipp Lane, Orangeburg, South
19 Carolina.

20 Q. Do you have a cell phone?

21 A. Yes. 860-3814, area code 803.

22 Q. We'll try not to bother you on that.
23 Do you have a home phone as well?

24 A. Yeah. 803-531-4466.

25 Q. And I think I probably left a message

1 on that just a few minutes ago.

2 A. Hadn't been home.

3 Q. That's fine. Just ignore that when
4 you get it.

5 And you told me you're currently
6 employed with Ringo?

7 A. Ringo Williams.

8 Q. And that's a logging outfit?

9 A. Yes, sir.

10 Q. Are you doing the same thing now that
11 you used to do for --

12 A. No. I'm a buncher operator, cut
13 operator.

14 Q. As of January of 2008, you were
15 working with -- I believe you described it you
16 were working with Mr. Griffis?

17 A. Yes.

18 Q. What were your doing then?

19 A. Running the loader, loading trucks.

20 Q. And you indicated that you know what
21 tract we're talking about?

22 A. Yes, sir.

23 Q. If I indicated to you that
24 Mr. Griffis and Mike from Mid Carolina Timber
25 identified this as the MCM tract, would you have

6

1 any reason to disagree with that?

2 A. No, sir.

3 Q. And if they described it as being
4 about 180 acres of timber, would you have any
5 reason to disagree with that?

6 A. No.

7 Q. Your job was to take trees that had
8 been cut -- and I don't know what you call it,
9 delimbed -- and then put them in the back of the
10 trailer; is that right?

11 A. Yes, load the truck.

12 Q. Do you recall meeting or interacting
13 at all with a driver named Eddie Best from
14 F.I.S.C.A.L. Transport?

15 A. Not really.

16 Q. Okay.

17 A. I mean, I don't even know what he
18 looked like.

19 Q. I'll tell you that Eddie Best has
20 testified that somebody named Timmy loaded him at
21 the MCM site on the day of the accident.

22 Would you have any reason to dispute
23 that?

24 A. No, I wouldn't.

25 Q. Have you ever met any other driver

1 from F.I.S.C.A.L. Transport or Travis Scott?

2 A. Yeah. I mean, yeah, because he had
3 two or three trucks, I ain't sure, man. You see
4 so many trucks, you know. I mean, I believe he
5 had three, I ain't sure. I ain't going to say I'm
6 positive.

7 Q. Now, when you did the loading, the
8 loading was actually on the dirt, it wasn't on the
9 highway?

10 A. No, no, it was off the road. You're
11 always off the road, never on the highway.

12 Q. And the trees that had been cut would
13 not be taken off the tract to load them, they were
14 loaded on the tract to where the cutting was
15 occurring?

16 A. Right, right, right. The dock,
17 loading dock.

18 Q. And you wouldn't necessarily use the
19 same dock for the entire cutting, you might move
20 to a more convenient place?

21 A. Right. Over 180 acres, you'd have to
22 put in probably five.

23 Q. But that's occurring in the woods?

24 A. Right, right, on the property that
25 you are cutting or harvesting.

1 Q. I've handed you what has been marked
2 as Plaintiff's Exhibit 2. This was marked in Mike
3 Watson's deposition from Mid Carolina, he had that
4 in his file.

5 Now, this is a form that you, as the
6 loader, would fill out?

7 A. Yes.

8 Q. And did you fill that form out?

9 A. Yes, sir.

10 Q. So that is your handwriting?

11 A. I'm pretty sure.

12 Q. And you would fill out one of those
13 for each of the trucking companies that was
14 running on the premises there?

15 A. No. I believe this is a load sheet
16 for like that day, you know, like when we're
17 there, you know. I'm pretty sure. I don't know
18 why he would have filled out one for one
19 individual truck.

20 Q. I'll just tell you that I had seen
21 several of these sheets in Mid Carolina's
22 documents, and that was for F.I.S.C.A.L., but
23 there were a couple more from other truck
24 companies.

25 A. I'm not sure.

1 Q. It's been a while.

2 A. Yeah, it's been a long time.

3 Q. At any rate, this one appears to be
4 for F.I.S.C.A.L.?

5 A. Right.

6 Q. Whether there were any other trucks
7 out there or not, that's not really important to
8 our issues.

9 A. Could have been. I don't know.

10 Q. This would appear to be from loads
11 taken from the tract from January 3rd to January
12 9th?

13 A. Right.

14 Q. Particularly, this record shows that
15 you put a load of logs on January 7th on a truck
16 going to Collum's mill down in Allendale at 10:30
17 in the morning?

18 A. Yes, sir.

19 Q. So January 7th, 10:30 in the morning,
20 a load of logs going to Collum went out?

21 A. Right.

22 Q. And that was on a F.I.S.C.A.L. truck?

23 A. Yes, sir, pretty sure.

24 Q. Now, you don't have any reason to
25 believe that that would have been on anybody

10

1 else's truck?

2 A. No, no, no.

3 Q. Did you later hear that there had
4 been an accident?

5 A. It was either later on that day or
6 the next morning.

7 Q. So sometime on January the 7th or
8 January the 8th you learned that there had been an
9 accident?

10 A. Right.

11 Q. Did you know that it was a truck you
12 had put logs on at the MCM tract?

13 A. Yeah. After the accident they told
14 us that one of our trucks was in an accident.

15 Q. If Mike and Mr. Griffis had indicated
16 that there were hundreds of loads of logs off of
17 this particular tract, would you agree with that?

18 A. Yes.

19 Q. You don't have any reason to disagree
20 with that?

21 A. No reason to disagree with that.

22 MR. MOSELEY: I think that's all the
23 questions I've got.
24
25

1 EXAMINATION

2 BY MR. LUGINBILL:

3 Q. Timmy, my name is Dan Luginbill, and
4 I represent Jeanette Buchannan, the wife of the
5 gentleman that was killed in that wreck.

6 The sheet that you've got there in
7 front of you, it doesn't make any distinction
8 between which of F.I.S.C.A.L.'s trucks the logs
9 went on, does it?

10 A. No, sir.

11 Q. Is there any way to go back and look
12 and find that out?

13 A. Not to my knowledge.

14 Q. F.I.S.C.A.L. had a driver by the name
15 of T. Do you remember him?

16 A. Yeah, that's the one I remember.

17 Q. He was the one that was there pretty
18 much all the time?

19 A. Yeah. Because, I mean, with trucks,
20 a fellow might come in there and have five trucks.
21 He might have one driver today, five drivers
22 tomorrow, I mean, in and out, man.

23 Q. And that's not unusual?

24 A. No, no. That's very common.

25 Q. So there's no way to tell whether

12

1 that sheet actually would prove which truck the
2 logs went on?

3 A. No, sir, no, sir.

4 Q. Is there any other document that
5 you're aware of that would have been kept in the
6 normal course of operations that would establish
7 that?

8 A. No, sir. I mean, usually we get a
9 load sheet and they say, fill it out, you know,
10 where it's going, destination, product, and time.
11 You know, we don't put down --

12 Q. It was T, it was Eddie Best, it was
13 Joe Smith?

14 A. Right. Just fill it out, they turn
15 the tickets in, and that's how they know who took
16 what, who to pay.

17 Q. I'm going to show you what has been
18 labeled as Exhibit Number 3. This is the MCM
19 tract which we believe to be the tract that
20 everybody's referring to here.

21 Does that look about right to you?

22 A. It's been so long, man.

23 Q. Assuming this is the tract for the
24 purpose of this question only, we'll just assume
25 that it is, where would the docks have been

1 placed? Do you just put them over to the edge of
2 the road and then the skidders drag them back up
3 here and then load the trucks on the edge of the
4 road and then off they go, or are they back up in
5 here in the woods?

6 A. I mean, the rule is always to try to
7 get it off the main highway. You want it back up
8 in the woods, that way nobody can see you, nobody
9 is going to take your equipment or steal nothing
10 out of your equipment, nothing like that. You
11 want to get as far away from the road as you can.

12 Q. So there's two roads that sort of
13 frame this tract, you've got Old Orangeburg Road
14 and then you have Bluff Ridge Road coming this
15 way?

16 A. Right.

17 Q. Looks like there might have been an
18 old road sort of cutting through the middle. Do
19 you know whether or not that was a public road?

20 A. I don't think so. I don't think so.
21 Because I -- if I can remember -- now, I'm not
22 positive, but we was -- there was one road that
23 went into the tract, and we decked off -- we
24 pushed another road in and then another road in.

25 But a tract that big, you're going to

14

1 block it down, you want to get as small an area as
2 possible so you can clean it up efficiently, you
3 know.

4 Q. And then you would put the docks back
5 up in here in the middle? And just for the
6 record, I'm indicating in the middle of -- it has
7 a two on it.

8 A. Yes.

9 Q. Or would you put it out here a little
10 bit closer to the edge of the road?

11 A. More to the middle, you know, split
12 it up.

13 MR. LUGINBILL: That's all I've got.

14 MR. MOSELEY: Curt.

15 MR. THOMAS: I don't have anything.

16 (The deposition was concluded at

17 2:10 p.m.)
18
19
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24
25

1 CERTIFICATE OF REPORTER

2
3 I, Rita A. DeRouen, Professional
4 Shorthand Reporter and Notary Public for the State
5 of South Carolina at Large, do hereby certify that
6 the foregoing transcript is a true, accurate, and
7 complete record.

8 I further certify that I am neither
9 related to nor counsel for any party to the cause
10 pending or interested in the events thereof.

11 Witness my hand I have hereunto
12 affixed my official seal this 15th day of March,
13 2010, at Columbia, Richland County, South
14 Carolina.

15
16
17 

18
19 Rita A. DeRouen
20 Professional Shorthand Reporter
My Commission expires
August 12, 2019

I N D E X

Page/Line

WITNESS/EXAMINATION

TIMOTHY COSTELLO

3 11

EXAMINATION

BY MR. MOSELEY

3 13

EXAMINATION

BY MR. LUGINBILL

11 1

CERTIFICATE OF REPORTER

15 1

REQUESTED INFORMATION INDEX

(No Information Requested)

E X H I B I T S

(No Exhibits Proffered)

STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

COUNTY OF BAMBERG

AEQUICAP INSURANCE COMPANY,

Plaintiff,

vs. CIVIL ACTION NO. 2008-CP-05-127

EDDIE REESE BEST; TRAVIS SCOTT D/B/A FISCAL
TRANSPORT; F.I.S.C.A.L. TRANSPORTATION, LLC;
ESTATE OF JAMES BUCHANNAN; and ROGER PELOTTE,

Defendants.

DEPOSITION OF: WAYNE GRIFFIS

DATE: March 12, 2010

TIME: 11:10 a.m.

LOCATION: Lanier & Burroughs
250 Gibson Street
Orangeburg, SC 29116

TAKEN BY: Counsel for Plaintiff
Aequicap Insurance Company

REPORTED BY: RITA A. DEROUEN, Professional
Shorthand Reporter

A. WILLIAM ROBERTS, JR., & ASSOCIATES

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cthomas@brennanandwasden.com
(By Telephone)

ALSO PRESENT:

Brenda Griffis

(INDEX AT REAR OF TRANSCRIPT)

1 STIPULATION

2 It is stipulated by and among Counsel
3 that this deposition is being taken in accordance
4 with the South Carolina Rules of Civil Procedure,
5 Rule 30; that all objections as to Notice of this
6 deposition are hereby waived; that all objections
7 except as to form are reserved until the time of
8 trial; and that the witness does waive reading and
9 signing of this deposition.

10 * * * * * * * * *

11 WAYNE GRIFFIS

12 being first duly sworn, testified as follows:

13 EXAMINATION

14 BY MR. MOSELEY:

15 Q. It's Wayne Griffis?

16 A. Yes, sir.

17 Q. Again, I apologize for putting
18 Griffith on the subpoena.

19 Can you give me your home address,
20 please?

21 A. 314 Wesley Grove Road, Cordova,
22 29039.

23 Q. What's your home telephone number?

24 A. We don't have a home, just got a cell
25 phone now.

1 Q. What's the cell phone?

2 A. Mine is 682-0924.

3 Q. Are you still the proprietor of
4 Midlands Timber?

5 A. No, sir, it's no longer. Once I had
6 open heart surgery, I shut everything down.

7 Q. Midlands Timber, was that the name
8 of --

9 A. Yes.

10 Q. Was it a corporation?

11 A. No.

12 Q. It was just you doing business?

13 A. Yeah, just a small company.

14 Q. What kind of line of work were you
15 in?

16 A. We were in the logging. I worked for
17 Mid Carolina.

18 Q. You were a contractor for them?

19 A. Yes, sir, I was a contractor for Mid
20 Carolina.

21 Q. And as I understand the business,
22 they would go out and buy the tract --

23 A. They bought the tract and we'd cut
24 it.

25 Q. And then you'd come in and cut?

1 A. Yes, sir.

2 Q. And that would have been what you
3 were doing back in January of 2008?

4 A. Yes.

5 Q. Do you recall being hired by Mid
6 Carolina to log the MCM tract?

7 A. Yes.

8 Q. Did you log the MCM tract?

9 A. Yes, sir.

10 Q. Mike Watson was in here earlier, and
11 he said that that tract would have generated
12 hundreds of loads of lumber.

13 A. Yes.

14 Q. Would that be accurate with your
15 recollection?

16 A. Yes, sir.

17 Q. If he said that it was 180 acres,
18 approximately, of timber that was cut, would you
19 agree with that?

20 A. I assume. They put us on the tract
21 and showed us the property lines. We never knew
22 the acreage.

23 Q. Would that --

24 A. Yeah. It was a big tract.

25 Q. How many employees did you have

6

1 working that tract if you can recall?

2 A. Five.

3 Q. Who would those people have been?

4 A. It would have been Timmy Costello;
5 Cecil Chavis -- it would have been four -- Bob
6 Griffis, my brother; and Chris Griffis, my son.

7 Q. And yourself?

8 A. I didn't work in the woods.

9 Q. And --

10 A. They're the ones who worked in the
11 woods, they did all the cutting.

12 Q. That's four.

13 A. It was only four.

14 Q. What did each of these people do?

15 A. Timmy Costello ran the loader, he was
16 on deck; Cecil Chavis was skidder; Bob Griffis was
17 the cutter man; and Chris was the skidder and deck
18 man.

19 Q. I'm going to show you what has been
20 marked as Exhibit Number 2 to Mike Watson's
21 deposition and ask if you recognize that form?

22 A. Yes, sir. This is one I -- they give
23 us a settlement sheet.

24 Q. Does this indicate when trucks were
25 loaded for F.I.S.C.A.L. Transport on the MCM

1 project?

2 A. I assume it was. The truck drivers
3 were contract haulers. They turned tickets in on
4 Friday or Thursday afternoon. If I had a ticket,
5 I paid them. You know, I mean, that's how they
6 got paid.

7 If they didn't have a ticket, they
8 didn't get paid. I couldn't tell you if that load
9 -- what we had was two F.I.S.C.A.L. trucks. One
10 of them was a -- came to me every day, the other
11 one hauled for someone else.

12 The one that got in this accident
13 hauled for someone else. If they were broke down
14 or something happened to the other job, they would
15 generally run the truck into me and get it loaded.

16 Now, I couldn't tell you for sure if
17 that truck came from there, was for me or not,
18 because I wasn't there.

19 Q. Okay.

20 A. If they turned the ticket in, they
21 got paid for it.

22 Q. So you normally ran two of their
23 trucks or you normally ran one of their trucks?

24 A. Just one of their trucks.

25 Q. Who was the driver of that truck?

1 A. They called him T. That's all I
2 know. He's black. Travis Scott, I never met him,
3 I talked to him on the telephone. A guy, T,
4 always picked up the settlement sheet, we paid
5 him, and he carried it to Travis Scott.

6 Q. Is this something that Timmy would
7 have written?

8 A. Yes.

9 Q. Okay.

10 A. Every load that went out, he was
11 supposed to fill out with the time and the date.

12 Q. And he did that based on who --

13 A. And we would have turned this in on
14 Thursday. The time goes in on Wednesday -- we
15 turned it in on Thursday morning, and we had to
16 turn it in with our tickets to make sure
17 everything showed up on the job, you know.

18 Q. And that was to make sure that all
19 the lumber got to the mills?

20 A. Right, mills, yeah.

21 Q. Do you recall ever meeting Eddie
22 Best?

23 A. No, sir.

24 Q. And you don't have personal knowledge
25 of the loads and who took these loads?

1 A. No, sir. Timmy Costello was the only
2 one who would have wrote that down. He's the load
3 operator. When he loads the loads, that was his
4 job to write it down each time.

5 Like I said, we got no proof that --
6 I mean, I feel sure the load probably did, but I
7 can't swear to it that it did. Because these
8 truck drivers at that time, fuel was four dollars
9 a gallon, they were bouncing around trying to pick
10 up a load out of anywhere they could.

11 If it said this came off my job,
12 that's all I've got to go by. They'd have to have
13 a ticket to show it came off my job.

14 MR. MOSELEY: I think that's all I've
15 got.

16 MR. LUGINBILL: Let me follow up on
17 that.

18 EXAMINATION

19 BY MR. LUGINBILL:

20 Q. The ticket that you're talking about,
21 is that like on a carbon copy type thing?

22 A. Yes, sir. It a copy that each mill
23 prints out. When you load those onto the scales,
24 a copy is printed out, what it is, what time it
25 got there, and then what time it got loaded in and

10

1 left.

2 Q. That's a scale at the mill or a scale
3 in the woods?

4 A. No, that's at the mill.

5 Q. And then how would --

6 A. They would keep these stubs until
7 Thursday morning then turn them in to me, I would
8 pay them, then I would turn them in to Mid
9 Carolina and get paid.

10 Q. When you say you would pay them, you
11 would pay Mid Carolina?

12 A. No, no. I would pay the contract
13 haulers.

14 Q. Contractors?

15 A. Right.

16 Q. If I'm T and I pull up and Timmy
17 Costello puts logs on my truck, how do I know
18 where to go?

19 A. Well, you should.

20 Q. How do I know which mill to take
21 those logs to?

22 A. They tell you you've got logs, they
23 automatically know what mills we're going to.
24 Like Collum would take logs and chip and saw, you
25 know.

1 Q. And that's what's on here, whether
2 it's going to Collum or --

3 A. Yeah, Collum or Eastover.

4 Q. Log, pulp wood?

5 A. Yeah.

6 Q. Did Timmy Costello tell the drivers
7 where to go?

8 A. Yes, sir. But, generally, the
9 drivers knew.

10 Q. But it wasn't their option of where
11 they wanted to go?

12 A. No. If they didn't know, they were
13 supposed to ask.

14 Q. To your knowledge, did any of the
15 F.I.S.C.A.L. trucks go to any of the Georgia
16 mills?

17 A. No, sir. They would have had to have
18 special fuels and stuff to cross state lines. If
19 they did, I didn't know anything about it.

20 Q. Were you required as a subcontractor
21 to check on whether or not any of these haulers --
22 I know you hauled -- more than F.I.S.C.A.L. was
23 pulling trees out of there, I'm sure.

24 Did you guys check to make sure they
25 had insurance and all that kind of stuff?

12

1 A. Yes, sir, had proof of insurance.
2 We've probably got it, we've got records..

3 Q. And that was provided to you by the
4 drivers?

5 A. Yes.

6 Q. And then you, in turn, provided that
7 to --

8 A. They showed us proof, a form.

9 Q. Did you get it straight from the
10 insurance company?

11 A. Yes, sir.

12 Q. And how much did they have to carry?

13 A. I think \$1 million.

14 Q. And you only shipped from the woods
15 to the mills?

16 A. Yes, sir.

17 Q. After that, you don't know what
18 happens to it?

19 A. No, sir.

20 Q. That's all I've got.

21 A. We wasn't involved in any of the
22 money other than what was paid to me for
23 contracting logging. I paid the contractors for
24 logging and that was it. What Mid Carolina got, I
25 don't know.

1 MR. LUGINBILL: That's all.

2 MR. MOSELEY: Thank you very much.

3 We appreciate you coming in.

4 (The deposition was concluded at
5 11:21 a.m.)

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1 CERTIFICATE OF REPORTER
2

3 I, Rita A. DeRouen, Professional
4 Shorthand Reporter and Notary Public for the State
5 of South Carolina at Large, do hereby certify that
6 the foregoing transcript is a true, accurate, and
7 complete record.

8 I further certify that I am neither
9 related to nor counsel for any party to the cause
10 pending or interested in the events thereof.

11 Witness my hand I have hereunto
12 affixed my official seal this 15th day of March,
13 2010, at Columbia, Richland County, South
14 Carolina.

15
16
17 

18
19 Rita A. DeRouen
20 Professional Shorthand Reporter
21 My Commission expires
22 August 12, 2019
23
24
25

I N D E X

Page/Line

WITNESS/EXAMINATION

WAYNE GRIFFIS

3

11

EXAMINATION

BY MR. MOSELEY

3

13

EXAMINATION

BY MR. LUGINBILL

9

18

CERTIFICATE OF REPORTER

14

1

REQUESTED INFORMATION INDEX

(No Information Requested)

E X H I B I T S

(No Exhibits Proffered)

1 STATE OF SOUTH CAROLINA

COURT OF COMMON PLEAS

2 COUNTY OF BAMBERG

3
4 AEQUICAP INSURANCE COMPANY,

5 Plaintiff,

6 vs. CIVIL ACTION NO. 2008-CP-05-127

7 EDDIE REESE BEST; TRAVIS SCOTT D/B/A FISCAL
8 TRANSPORT; F.I.S.C.A.L. TRANSPORTATION, LLC;
ESTATE OF JAMES BUCHANNAN; and ROGER PELOTTE,

9 Defendants.

10
11 DEPOSITION OF: MICHAEL D. WATSON

12 DATE: March 12, 2010

13 TIME: 10:08 a.m.

14 LOCATION: Lanier & Burroughs
250 Gibson Street
15 Orangeburg, SC 29116

16 TAKEN BY: Counsel for Plaintiff
Aequicap Insurance Company

17
18 REPORTED BY: RITA A. DEROUEN, Professional
Shorthand Reporter

19
20 A. WILLIAM ROBERTS, JR., & ASSOCIATES

21 Fast, Accurate & Friendly

22 Charleston, SC Hilton Head, SC Myrtle Beach, SC
(843) 722-8414 (843) 785-3263 (843) 839-3376

23 Columbia, SC Greenville, SC Charlotte, NC
24 (803) 731-5224 (864) 234-7030 (704) 573-3919

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(INDEX AT REAR OF TRANSCRIPT)

1 STIPULATION

2 It is stipulated by and among Counsel
3 that this deposition is being taken in accordance
4 with the South Carolina Rules of Civil Procedure,
5 Rule 30; that all objections as to Notice of this
6 deposition are hereby waived; that all objections
7 except as to form are reserved until the time of
8 trial; and that the witness does waive reading and
9 signing of this deposition.

10 * * * * *

11 MICHAEL D. WATSON

12 being first duly sworn, testified as follows:

13 EXAMINATION

14 BY MR. MOSELEY:

15 Q. Mike, my name is Rob Moseley. You've
16 talked to my associate, Fred Marcinak, about this
17 case, this accident.

18 A. Right.

19 Q. I represent Aequicap Insurance, which
20 was the liability insurance carrier for
21 F.I.S.C.A.L. Transport, and we've got some
22 litigation over the coverages that are involved in
23 this accident. So I'm going to ask you some
24 questions this morning, and I'll try to make it as
25 short and painless as I can.

4

1 A. Okay.

2 Q. But if you need a break, there's a
3 restroom out here, we can get you something to
4 drink, whatever you need.

5 A. Okay.

6 Q. What's your full name, please?

7 A. Michael Dewitt Watson.

8 Q. What is your home address?

9 A. Physical?

10 Q. Yes, sir.

11 A. 630 Rawl Road, Lexington, 29071 --

12 2. I'm sorry. 2.

13 Q. What's your home phone?

14 A. 359-9017. But don't call that number
15 looking for me. I'll give you my cell phone.

16 Q. What's your cell?

17 A. 296-7202. I don't answer that phone.

18 Q. And you currently work with Mid
19 Carolina?

20 A. Yes.

21 Q. What does Mid Carolina do?

22 A. We are a wood dealer. We buy and --
23 we buy tracts of timber from various landowners
24 and we contract with various logging contractors
25 to cut it, and we deliver it to the various mills

1 in the state.

2 Q. So you buy wood from landowners?

3 A. Yes, sir.

4 Q. You hire loggers to come in and cut
5 it?

6 A. Yes, sir.

7 Q. And then you sell it to mills?

8 A. Right.

9 Q. And in January of 2008, were you
10 doing the same thing?

11 A. Yes.

12 Q. The tract that we're concerned about
13 here today, at least the one we think we're
14 concerned about today, is the MCM tract.

15 Are you familiar with that name?

16 A. Oh, yes.

17 Q. Can you tell me where the MCM tract
18 is?

19 A. It's a little north of Edmund, which
20 is between, I guess you could say, Columbia and
21 Pelion off of Highway 302.

22 Q. Southern Lexington County?

23 A. Yes.

24 Q. Just north of Orangeburg?

25 A. Very north of Orangeburg.

6

1 Q. How many acres were in that tract?

2 A. It was 182 acres according to the
3 consultant.

4 Q. Did you contract with MCM to cut the
5 timber from that tract?

6 A. Yes.

7 Q. Is this a copy of the contract here?

8 A. Yes, this is it.

9 Q. I don't want to mark his original
10 because it looks pretty official, but we'll mark
11 that at a break and make a copy of it. That will
12 be Exhibit Number 1.

13 So your company, Mid Carolina,
14 entered into an agreement with MCM to sell the
15 timber off that land?

16 A. Yes.

17 Q. And you said it was 180-something?

18 A. 182 acres, yes.

19 Q. Is that in a rural area?

20 A. Yeah.

21 Q. How many, just a ballpark, I know you
22 don't know the -- you may know the answer.

23 A. Well, I don't know what the question
24 is first.

25 Q. Approximately how many loads of

1 timber would 182 acres be?

2 A. You got a second? I think I've got
3 the crews in here somewhere. Let's see. It was
4 well over 200 loads.

5 Q. And all of those were -- let me back
6 up. Who did you hire to cut that lumber?

7 A. Midlands Timber Company, it was Wayne
8 Griffis -- or Brenda Griffis doing business as
9 Midlands Timber.

10 Q. And they were the only logger on the
11 premises?

12 A. Oh, yes, they were the only one we
13 had.

14 Q. I want to show you another document
15 that I believe y'all have provided to us, and it's
16 what we're going to mark as Exhibit 2, it's a
17 weekly production sheet; is that correct?

18 A. Yes, sir.

19 (PLF. EXH. 2, Mid Carolina Timber
20 Company Weekly Production Sheet, was marked for
21 identification.)

22 BY MR. MOSELEY:

23 Q. I'm going to hand you what has been
24 marked as Exhibit Number 2.

25 A. Okay.

8

1 Q. What is that document?

2 A. That's where they -- the loader
3 operator is supposed to be putting down the loads
4 as they leave to keep up with how many loads went
5 somewhere in case somebody supposedly lost a
6 ticket or there's a discrepancy as to how many
7 loads was hauled off the tract that week.

8 Q. The loader, would that be somebody
9 employed with Midland Timber?

10 A. Yes, because they're there all the
11 time.

12 Q. So this would show the loads that
13 F.I.S.C.A.L. Transportation hauled between January
14 3rd and January 9th?

15 A. That's the way they kept them, my
16 understanding. Generally, we try to make them
17 put them all on one sheet, but everybody has their
18 own little quirks that they do.

19 Q. And Midland kept them based on who
20 the trucking company was?

21 A. Right.

22 Q. According to this record, you show a
23 truck going to Collum Lumber Mill. Is that in
24 Allendale?

25 A. Yes.

1 Q. And that was on January the 7th at
2 10:30 a.m.?

3 A. Yes.

4 Q. And that was a load of logs as
5 opposed to?

6 A. Pulp wood.

7 Q. Just so I make sure I understand what
8 you're talking about, logs would be hardwood?

9 A. No.

10 Q. No?

11 A. It would be pine.

12 Q. It would be pine?

13 A. Pine can have logs and pulp wood and
14 hardwood can have pulp wood and logs too.

15 Q. But what would this have been?

16 A. This would have been a load of pine
17 logs.

18 Q. Pine logs?

19 A. Yes.

20 Q. As opposed to pulp wood, which would
21 be --

22 A. Going to Eastover.

23 Q. Would those be logs that just weren't
24 as good quality?

25 A. No, they were the best logs.

10

1 Q. They were the best logs?

2 A. We only had two separations with the
3 pine -- well, three. We had pulp wood, logs, and
4 poles. And the logs and the poles went to Collum,
5 and the pulp wood went to Eastover.

6 Q. Pulp wood, were y'all grinding it
7 there?

8 A. No. They put it all on the truck
9 long.

10 Q. So they would have been logs too?

11 A. It would have all been wood that
12 would have been on a regular log trailer.

13 Q. If you were standing here in front of
14 this office and a truck came by, could you tell
15 whether it was pulp wood or logs?

16 A. Oh, yeah.

17 Q. How would I tell?

18 A. Well, you just see the bigger trees.

19 Q. So bigger trees are going to --

20 A. Generally, the bigger trees with the
21 bigger tops. It just looks different. I don't
22 know.

23 Q. So those are going to be the logs
24 or --

25 A. Right.

1 Q. -- the pulp wood?

2 A. It would be the logs. The pulp wood
3 is the ratty stuff you see going down the road
4 with the little bitty tops, all crooked and
5 everything.

6 Q. But this was logs, and it was going
7 to Collum?

8 A. Yes, sir.

9 Q. And, based on this, there were four
10 loads that left that day, but that was the only
11 one that went to Collum?

12 A. Yes.

13 Q. Okay.

14 A. According to this one. I think he's
15 got some other sheets from a different trucker
16 from that week.

17 Q. But as to F.I.S.C.A.L. --

18 A. That would have been the only one
19 they would have had according to the way they've
20 got it. Like I said, we're not out there, we kind
21 of trust them to do this.

22 Q. Midland was responsible for arranging
23 their own transportation?

24 A. Yes.

25 Q. You didn't hire --

12

1 A. No.

2 Q. You didn't hire Mr. Scott or his
3 company?

4 A. No.

5 MR. MOSELEY: All right. I think
6 that's all I've got. Please answer any questions
7 these other gentlemen may have for you.

8 EXAMINATION

9 BY MR. LUGINBILL:

10 Q. First of all, I'm Dan Luginbill. I
11 represent Jeanette Buchannan, who was the wife of
12 the gentleman that was killed in the wreck.

13 At Mid Carolina Timber, your role was
14 to -- you find the wood; then you subcontract to
15 cut the wood?

16 A. Yes.

17 Q. Now, if I understood your testimony,
18 Midlands Timber was actually doing the logging?

19 A. Yes.

20 Q. And Midlands, they are responsible
21 for finding the haulers or were y'all?

22 A. No, they were.

23 Q. So Midlands would find the haulers,
24 and I'm assuming you're using more than just
25 F.I.S.C.A.L.?

1 A. Yes. They use -- all we required
2 them to do was give us a certificate of insurance
3 on all their loggers.

4 Q. How much insurance did you require?

5 A. \$1 million.

6 Q. Are you familiar with the policies
7 that had this, quote, farm-to-market exception
8 that only carries \$75,000?

9 A. I don't know anything about that.

10 Q. Would y'all allow any trucks in there
11 that only carried \$75,000 in coverage?

12 A. I don't think so.

13 Q. On this particular tract of land, I
14 notice in the contract there are several -- it
15 looks like several landowners?

16 A. That's because that is a corporation
17 that bought -- that owned this tract of land.

18 Q. Is it a raw tract of land --

19 A. Yes.

20 Q. -- or is it being developed?

21 A. No. It still sits just like it did.

22 Q. It talks about -- there's some
23 liquidated damages portions of the contract for
24 Scriber and then Doyle. Is that just different
25 kinds of --

14

1 A. The different scales.

2 Q. That has nothing to do with the
3 owners of it?

4 A. No.

5 Q. Are there any roads cut through this
6 property or did y'all have to make your own roads?

7 A. There was an old wood road that we
8 had to do a good bit of improvement on to get the
9 trucks in the back.

10 Q. How far was where you were cutting
11 from the road?

12 A. Where it joined up to the road. I
13 mean, the tract joins.

14 Q. How deep off the road does it go? Do
15 you have an aerial?

16 A. Oh, yes. There's that tract.

17 (PLF. EXH. 3, MCM of the Midlands
18 Trust Tract, Lexington County, SC, was marked for
19 identification.)

20 BY MR. LUGINBILL:

21 Q. So you've got Pleasant View Drive and
22 then Bluff Ridge Road, you've got a number one and
23 number two here and here.

24 A. Everything here and there, yeah.

25 Q. Are there any farming operations

1 going on there?

2 A. Well, no, because it's all timber.

3 Q. The entire tract is timber?

4 A. Yes.

5 Q. I believe you also said earlier in
6 your deposition -- I just want to make sure --
7 that y'all are responsible for getting trees from
8 the woods, through your subcontractors, to the
9 mill?

10 A. Uh-huh.

11 Q. And that's where your responsibility
12 ends. What happens to the wood after that is not
13 your concern?

14 A. Do me again.

15 Q. You guys get the trees?

16 A. We buy the tract.

17 Q. Right.

18 A. And then we contract with the logger
19 to --

20 Q. To get them to --

21 A. To get them delivered to the mill.

22 Q. Does the mill buy them from you --

23 A. Yes.

24 Q. -- or do they just work on them and
25 then you sell them to somebody else?

16

1 A. No.

2 Q. The mill buys them from you?

3 A. Yes. And then we pay the logger.
4 Somebody's got to get the money.

5 Q. So the title of the wood actually
6 transfers at the dropoff, when you drop the logs
7 off, it becomes their wood?

8 A. Right.

9 Q. Do you ever sell wood to the Savannah
10 Mill?

11 A. Savannah? Which mill?

12 Q. There's a pulp wood mill, isn't
13 there, and there's also a saw mill?

14 A. No, we don't deal with them. I mean,
15 we could but we don't.

16 Q. Why is that?

17 A. Because they're too far.

18 Q. How far is this drive from Eastover?

19 A. It's about around 40 miles to
20 Eastover.

21 Q. And then how far is it to Collum?

22 A. Around 70, I think.

23 Q. Do you sell to the Grant plant?

24 A. Yes. But not from there.

25 Q. And you sell to Collum?

1 A. Yes.

2 Q. How far would you say it is from
3 Collum to the Savannah mill?

4 A. I don't know. However far it is from
5 Allendale to Savannah.

6 Q. You're able to sell everything you
7 cut within South Carolina?

8 A. We sell some -- we've had -- we sell
9 some now in Georgia, but we're cutting in
10 Varnville, it's only 60 miles across there to it.

11 Q. So, basically, you're looking to haul
12 to the closest place you can so that you --

13 A. We're actually looking to haul it to
14 whoever we can get the most money out of.

15 Q. Would Mid Carolina have been directly
16 involved in hiring F.I.S.C.A.L. Transport?

17 A. No.

18 Q. So you would have no idea whether or
19 not Mid Carolina Timber has ever been hauled by
20 F.I.S.C.A.L. to a Savannah mill or not?

21 A. Should not have, because we haven't
22 hauled any wood to Savannah.

23 Q. What you're doing now is the first
24 time you've been down there?

25 A. Yeah. They're going to -- but

18

1 they're not going to Savannah. They're going
2 to --

3 Q. Anywhere in Georgia?

4 A. Yeah. I mean, we don't -- we are
5 cutting one tract right now that the guy is
6 hauling it to Georgia.

7 Q. Do you know or can you tell from your
8 records whether or not any of the trees purchased
9 by Mid Carolina Timber, any of your all's timber,
10 got hauled by F.I.S.C.A.L. Transport across state
11 lines?

12 A. It better not have or we're going to
13 have another issue.

14 Q. And why is that?

15 A. Because they stole our wood.

16 Q. That wasn't where you were supposed
17 to go. Okay. All right. Fair enough. I think
18 that's all I've got.

19 MR. MOSELEY: Curt?

20 MR. THOMAS: I don't have anything,
21 guys.

22 (PLF. EXH. 1, Timber Sales Contract,
23 2-21-07, was marked for identification.)

24 (The deposition was concluded at
25 10:24 a.m.)

1 CERTIFICATE OF REPORTER

2
3 I, Rita A. DeRouen, Professional
4 Shorthand Reporter and Notary Public for the State
5 of South Carolina at Large, do hereby certify that
6 the foregoing transcript is a true, accurate, and
7 complete record.

8 I further certify that I am neither
9 related to nor counsel for any party to the cause
10 pending or interested in the events thereof.

11 Witness my hand I have hereunto
12 affixed my official seal this 15th day of March,
13 2010, at Columbia, Richland County, South
14 Carolina.

15
16
17 

18
19 Rita A. DeRouen
20 Professional Shorthand Reporter
21 My Commission expires
22 August 12, 2019
23
24
25

I N D E X

Page/Line

WITNESS/EXAMINATION

MICHAEL D. WATSON

3

11

EXAMINATION

BY MR. MOSELEY

3

13

EXAMINATION

BY MR. LUGINBILL

12

8

CERTIFICATE OF REPORTER

19

1

REQUESTED INFORMATION INDEX

(No Information Requested)

E X H I B I T S

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PLF. EXH. 1, Timber Sales Contract,

18

22

2-21-07

PLF. EXH. 2, Mid Carolina Timber

7

19

Company Weekly Production Sheet

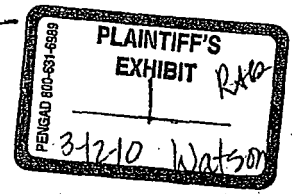
PLF. EXH. 3, MCM of the Midlands

14

17

Trust Tract, Lexington County, SC

Original Contract



STATE OF SOUTH CAROLINA

TIMBER SALES CONTRACT

COUNTY OF LEXINGTON

This Timber Sales Contract made and entered into this 21 day of February, 2007 by and between **MCM OF THE MIDLANDS TRUST**, hereinafter referred to as the Sellers, and **MID CAROLINA TIMBER CO., INC.**, hereinafter referred to as the Buyer.

WITNESSETH:

WHEREAS, the Sellers hereby agree to sell to the Buyer and the Buyer hereby agrees to purchase from the Sellers certain merchantable timber on a portion of their property in Lexington County, consisting of approximately 182 acres and designated on the sale map prepared by Sellers' agent, Dwight L. Stewart, Jr. & Associates, LLC dated June 22, 2006, attached hereto and made a part hereof. The sale area is divided into four blocks and is designated by pink or orange flagging, by two blue stripes of paint, or by natural boundaries as shown on the sale map. In all four blocks, trees to be left uncut and undamaged have been marked with a blue band of paint around the bole and on the base. The remaining trees inside the sale area are to be cut.

The consideration for the designated trees to be cut shall be:

ONE HUNDRED SEVENTY-SIX THOUSAND ONE HUNDRED ONE DOLLARS
(\$176,101.00)

Check will be made payable to Dwight L. Stewart, Jr. & Associates Timber Trust Account.

Buyer will have until February 28, 2008 to harvest the sale trees.

The following conditions will be entered into between the Buyer and the Seller.

1. Buyer will have the non-exclusive use of roads and access lanes of the Seller(s) and any additional access as shown on the attached Timber Map. Roads shall be kept open and passable at all times and shall be repaired to at least their original condition at the conclusion of any phase of the harvesting operation. Any road construction or clearing for timber harvest will be coordinated with Dwight L. Stewart, Jr. & Associates, LLC.

2. Buyer will be responsible for damage to property, including crops, of the Seller(s) or third persons, when such damage is caused by or arises from the Buyer's operations on the tract. Buyer will remove any oil cans, trash, or other garbage generated by its operation. Buyer shall leave no tops across any property lines or in streams, ditches, fields, firebreaks, woods trails, or access lanes. All decking and loading areas are to be located within the sale area. All decking areas must be approved prior to the beginning of any phase of the logging operation.

3. The Seller(s) reserve(s) the right to prohibit logging. Any time lost will be added to the term of the cutting contract on a day-for-day basis, not to exceed 365 days. The Buyer may reserve

this extension by requesting for such in writing to the Sellers' agent, along with the reason for the request. Buyer agrees to have made every effort to log the tract before requesting an extension.

4. Buyer shall be responsible for damage to timber outside the sale area or to unmarked trees within the sale area at the following rates: PINE SAWTIMBER - \$700.00 per thousand board feet (SCRIBNER); PINE PULPWOOD and C-N-S - \$150.00 per standard cord; HARDWOOD SAWTIMBER - \$450.00 per thousand board feet (Doyle); and HARDWOOD PULPWOOD - \$50.00 per standard cord.

5. Buyer is to notify Dwight L. Stewart, Jr. & Associates, LLC (803)435-2301 twenty-four hours prior to each commencement and each termination of any phase of the harvesting operation.

6. Neither Seller(s) nor Seller('s) agent, Dwight L. Stewart, Jr. & Associates, LLC shall be held liable for any personal injury or property damage suffered by the Buyer, Seller(s) or third persons, caused by or arising from any of the Buyer's operation. Buyer hereby indemnifies Seller(s) and Seller('s) agent and shall hold Seller(s) and Seller('s) agent harmless from any such liability.

7. Seller(s) shall have the right at all times to cut and cause to be cut and removed, all trees that are upon the subject tract, which are not conveyed by this Contract. After termination of this Contract, Seller(s) shall have the right to sell, cut or dispose of any and all trees remaining on said tract of land.

8. Seller(s) hereby warrants that the title to the aforementioned property as shown on the timber map is free and clear of any encumbrances or that they have obtained any mortgage releases necessary. Seller(s) hereby warrant that they are the lawful owners of the property with all rights to sell any and all of the real estate.

9. Buyer agrees to follow all current Best Management Practice guidelines for Harvesting timber.

10. Buyer represents and warrants that it has obtained and will maintain all local, state, and federal government licenses necessary in order to conduct its operations – including the handling, storage, treatment and disposal of all hazardous substances.

11. Buyer represents and warrants that it will operate the premises in compliance with any and all federal, state, and local laws, rules or ordinances for environmental protection, including those relating to the handling treatment, storage and disposal of hazardous substances, as well as the operation of storage tanks for petroleum products.

12. Buyer further represents and warrants that it shall not cause or permit to continue any intentional or unintentional release of hazardous substances while working on the above described property. Buyer shall notify the Owner and the appropriate jurisdictional governmental agencies and take all reasonable and necessary actions to immediately remedy such release.

13. Buyer will post \$1,000.00 as performance bond with Seller's agent, Dwight L. Stewart, Jr. & Associates, LLC. At the conclusion of the harvesting operation, this amount will be returned to the Buyer. In the event of damages as outlined in the above stipulations, the Buyer will have the right to correct any damages or to forfeit that amount of the performance deposit to correct any damages. Buyer will be responsible for any damages that exceed the amount of the performance deposit.

14. ENTIRE AGREEMENT: This written Agreement contains the entire agreement between the parties and shall be for the benefit of and binding upon them and their heirs, successors and assigns. There are no representations or warranties from either party to the other except those stated herein.

WITNESSES:

Richard M. McCall

James Grison

Richard M. McCall

James Grison

Matthew Dunn

MCM OF THE MIDLANDS TRUST (SELLER)

By: David H. McCall

Its: _____

Social Security # or Federal ID # ~~0490020003~~

By: Richard B. McCall

Its: _____

Social Security # or Federal ID# _____

MID CAROLINA TIMBER CO., INC. (BUYER)

By: Matthew Dunn

Its: _____

Logger _____



MCM of the Midlands Trust Tract Lexington County, SC

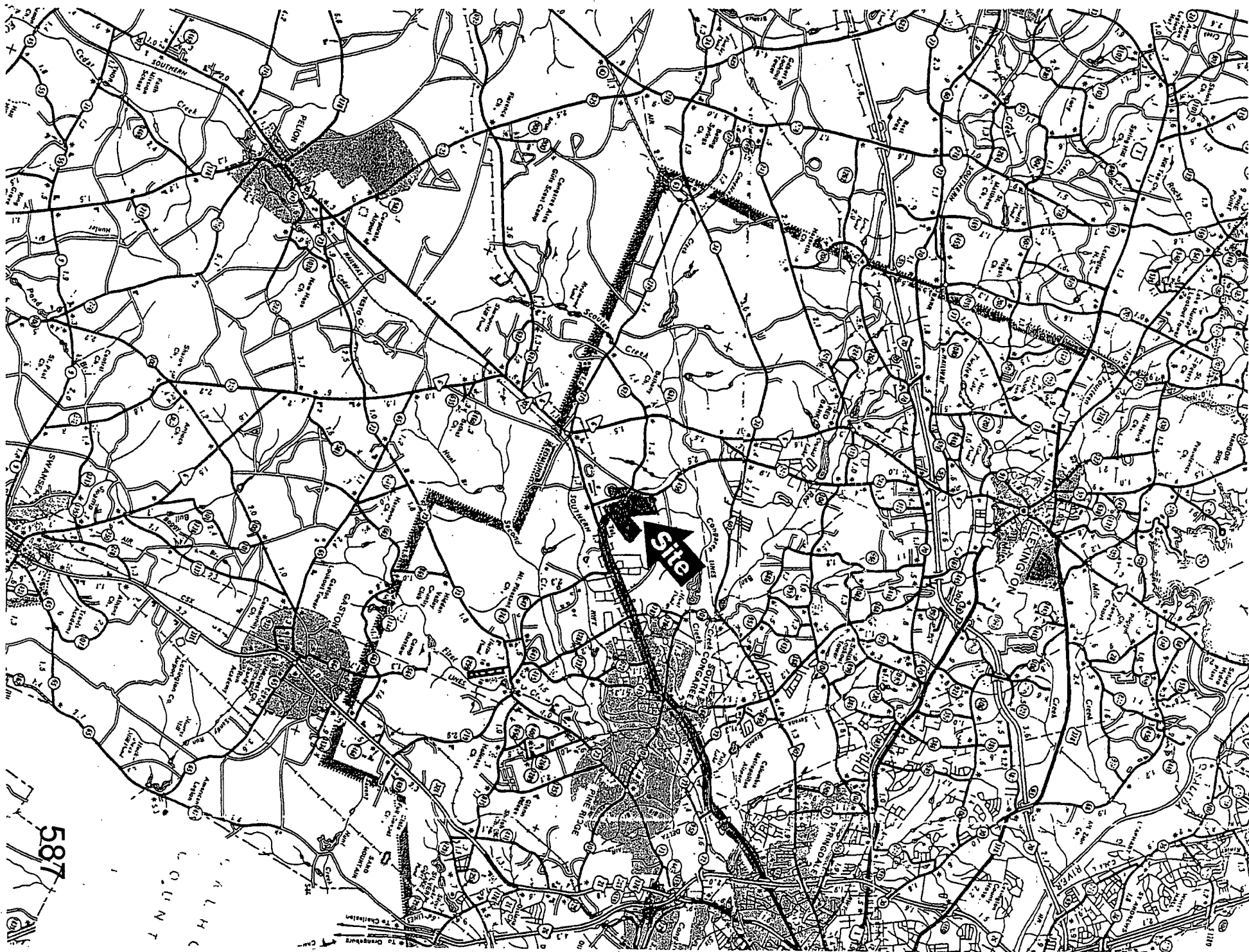
1 inch = 660 feet
June 22, 2006



Dwight Stewart & Associates

www.dwightstewart.com

PLAINTIFF'S
EXHIBIT *RW*
536
3/2/10 Watson





AequiCap Program Administrators, Inc.

Post Office Box 9088
Fort Lauderdale, Florida 33310-9088

Date: January 18, 2008

Insured: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
Policy No.: TC025758
Claim No.: W0035
Date of Loss: 1/7/08

I, Tamara A. Phillips, hereby certify that the attached is a certified copy of the policy.

Tamara A. Phillips,
Certified Policy Clerk

STATE OF FLORIDA)
SS:
COUNTY BROWARD)

I hereby certify that on this day, before me, personally appeared Tamara A. Phillips, to me personally known to be the person who executed this instrument, and (s) he acknowledged that (s) he executed the same for the purpose described herein.

Witness my hand and official seal this 18 day of JANUARY, 2008.

(SEAL)



Notary Public





AequiCap

INSURANCE COMPANY

3000 WEST CYPRESS CREEK ROAD
FORT LAUDERDALE, FL 33309 - 1710
800.275.2800

AE 000 05/2005

000

Aequicap 000002

589

COMMON POLICY DECLARATIONS

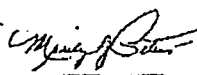
AEQUICAP INSURANCE COMPANY 3000 WEST CYPRESS CREEK ROAD FORT LAUDERDALE, FL 33309	The Walling Agency, Inc. P.O. Box 160 Ehrhardt, SC 29081
NAMED INSURED: <u>TRAVIS D. SCOTT DBA: FISCAL TRANSPORT</u>	
MAILING ADDRESS: <u>871 HAMPTON DRIVE</u> <u>Orangeburg, SC 29118</u>	
POLICY PERIOD: FROM <u>2/9/2007</u> TO <u>2/9/2008</u> AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.	

BUSINESS DESCRIPTION	LOGS
----------------------	------

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
	PREMIUM
BOILER AND MACHINERY COVERAGE PART	\$ 0.00
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART	\$ 0.00
COMMERCIAL AUTOMOBILE COVERAGE PART	\$ 3,141.00
COMMERCIAL GENERAL LIABILITY COVERAGE PART	\$ 0.00
COMMERCIAL INLAND MARINE COVERAGE PART	\$ 0.00
COMMERCIAL PROPERTY COVERAGE PART	\$ 0.00
CRIME AND FIDELITY COVERAGE PART	\$ 0.00
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART	\$ 0.00
FARM COVERAGE PART	\$ 0.00
LIQUOR LIABILITY COVERAGE PART	\$ 0.00
POLLUTION LIABILITY COVERAGE PART	\$ 0.00
PROFESSIONAL LIABILITY COVERAGE PART	\$ 0.00
Policy Fee:	\$
TOTAL:	\$ 3,141.00
Premium shown is payable: \$ <u>3,141.00</u> at inception. \$ _____	

FORMS APPLICABLE TO ALL COVERAGE PARTS (SHOW NUMBERS): SEE AE 001 06 05 FOR FORMS AND ENDORSEMENTS INCLUDED AT TIME OF ISSUE.

Countersigned: 2/9/2007	By: 
(Date)	(Authorized Representative)

NOTE
 OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION. SEE AE SIGN 01 06

TRUCKERS DECLARATIONS

POLICY NO.: TC025758

AEQUICAP INSURANCE COMPANY 3000 WEST CYPRESS CREEK ROAD FORT LAUDERDALE, FL 33309	The Walling Agency, Inc. P.O. Box 160 Ehrhardt, SC 29081
--	---

ITEM ONE

NAMED INSURED: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

MAILING ADDRESS: 871 HAMPTON DRIVE,
Orangeburg, SC 29118

POLICY PERIOD: From 2/9/2007 to 2/9/2008
at 12:01 A.M. Standard Time at your mailing address shown above.

PREVIOUS POLICY NUMBER: _____

FORM OF BUSINESS:

☐ CORPORATION
☐ PARTNERSHIP

☐ LIMITED LIABILITY COMPANY

☒ INDIVIDUAL
☐ OTHER _____

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable: \$ 3,141.00 at inception. 0.00

AUDIT PERIOD (IF APPLICABLE)	☒ ANNUALLY	☐ SEMI-ANNUALLY	☐ QUARTERLY	☐ MONTHLY
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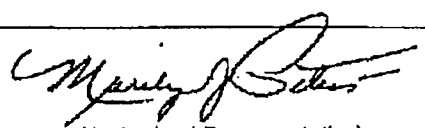
ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 ~ Common Policy Conditions (IL 01 46 in Washington)

IL 00 21 ~ Broad Form Nuclear Exclusion (Not Applicable in New York)

SEE ATTACHED AE 001 05 05

COUNTERSIGNED 2/9/2007 BY _____
(Date)


(Authorized Representative)

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION.

ITEM TWO**SCHEDULE OF COVERAGES AND COVERED AUTOS**

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos Section of the Truckers Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the Covered Autos Section of the Truckers Coverage Form shows which autos are covered autos.)	LIMIT THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
LIABILITY	46	\$ 1,000,000 CSL	\$ 3,025.00
PERSONAL INJURY PROTECTION (or equivalent No-Fault Coverage)	Excluded	SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS \$ DED.	\$
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-Fault Coverage)	Excluded	SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	\$
PROPERTY PROTECTION INSURANCE (Michigan only)	Excluded	SEPARATELY STATED IN THE P.P.I. ENDORSEMENT MINUS \$ DED. FOR EACH ACCIDENT.	\$
MEDICAL PAYMENTS	Excluded	\$	\$
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN EACH MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT	\$
UNINSURED MOTORISTS	46	\$ 75,000 CSL	\$ 54.00
UNDERINSURED MOTORISTS (When not Included in Uninsured Motorists Coverage)	46	75,000 CSL	\$ 62.00
TRAILER INTERCHANGE COMPREHENSIVE COVERAGE	Excluded	ACTUAL CASH VALUE, COST OF REPAIR, OR \$ WHICHEVER IS LESS, DED.	\$
TRAILER INTERCHANGE SPECIFIED CAUSES OF LOSS COVERAGE	Excluded	ACTUAL CASH VALUE, COST OF REPAIR, OR \$ WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.	\$
TRAILER INTERCHANGE COLLISION COVERAGE	Excluded	ACTUAL CASH VALUE, COST OF REPAIR, OR \$ WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO.	\$
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	Excluded	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE	Excluded	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 25 DED. FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.	\$
PHYSICAL DAMAGE COLLISION COVERAGE	Excluded	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO.	\$
PHYSICAL DAMAGE TOWING AND LABOR	Excluded	\$ For Each Disablement Of A Private Passenger "Auto".	\$
			\$
		ADDT'L INS. PREMIUM FOR ENDORSEMENTS	\$ 0.00
		*ESTIMATED TOTAL PREMIUM	\$ 3,141.00

*This policy may be subject to final audit.

See AE 001 05 05 for forms and endorsements Included at the time of issue.

ITEM THREE

SCHEDULE OF COVERED AUTOS

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY			
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged			
1	SEE CA 190 01 87		\$ N/A	\$ N/A				
2			\$	\$				
3			\$	\$				
4			\$	\$				
5			\$	\$				
Covered Auto No.	CLASSIFICATION							EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below As Interests May Appear At The Time Of The Loss.
	Radius Of Operation	Business Use s=service r=retail c=commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Primary Rating Factor Liab. Phy. Dam.		Secondary Rating Factor	
1	SEE CA 190 01 87							
2								
3								
4								
5								

ITEM THREE

SCHEDULE OF COVERED AUTOS (Cont'd)

Covered Auto No.	COVERAGES - PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated in Each P.I.P. End. Minus Deductible Shown Below	Premium	Limit Stated in Each Added P.I.P. End. Premium	Limit Stated in P.I.P. End. Minus Deductible Shown Below	Premium
1	\$ See Page 2 of 6 CA DS 14	02 03	\$	\$	\$	\$ Excluded	\$
2	\$	\$	\$	\$	\$	\$	\$
3	\$	\$	\$	\$	\$	\$	\$
4	\$	\$	\$	\$	\$	\$	\$
5	\$	\$	\$	\$	\$	\$	\$
Total Premium					\$		

Covered Auto No.	COVERAGES - PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)			
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)	
	Limit	Premium	Limit Stated in Each Medical Expense And Income Loss Endorsement For Each Person	Premium
1	\$ See Page 2 of 6 CA DS 14	02 03	\$	\$
2	\$	\$	\$	\$
3	\$	\$	\$	\$
4	\$	\$	\$	\$
5	\$	\$	\$	\$
Total Premium				

Covered Auto No.	COVERAGES - PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated in ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated in ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated in ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
1	\$ See Page 2 of 6 CA DS 14	02 03	\$	\$	\$	\$	\$	\$
2	\$	\$	\$	\$	\$	\$	\$	\$
3	\$	\$	\$	\$	\$	\$	\$	\$
4	\$	\$	\$	\$	\$	\$	\$	\$
5	\$	\$	\$	\$	\$	\$	\$	\$
Total Premium								

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS

LIABILITY COVERAGE – RATING BASIS, COST OF HIRE – AUTOS USED IN YOUR TRUCKING OPERATIONS				
ESTIMATED COST OF HIRE		RATE PER EACH \$100 COST OF HIRE		TOTAL ESTIMATED PREMIUM
\$		\$		\$
LIABILITY COVERAGE – RATING BASIS, COST OF HIRE – AUTOS NOT USED IN YOUR TRUCKING OPERATIONS				
STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	FACTOR (If Liability Coverage Is Primary)	PREMIUM
	\$	\$	\$	\$
TOTAL PREMIUM				\$ Excluded

PHYSICAL DAMAGE COVERAGE

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE	RATE PER EACH \$100 ANNUAL COST OF HIRE	PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$	\$	\$
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.	\$	\$	\$
COLLISION	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ DED. FOR EACH COVERED AUTO.	\$	\$	\$
TOTAL PREMIUM				\$ Excluded

Cost of Hire means:

- The total dollar amount of costs you incurred for the hire of automobiles (includes trailers and semitrailers), and if not included therein,
- The total remunerations of all operators and drivers helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and,
- The total dollar amount of any other costs (i.e., repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the insured, paid to the lessor or owner, or paid to others.

ITEM FIVE

SCHEDULE FOR NON-OWNERSHIP LIABILITY

RATING BASIS	NUMBER	PREMIUM
Number Of Employees		\$
Number Of Partners		\$
TOTAL		\$

ITEM SIX

TRAILER INTERCHANGE COVERAGE

COVERAGES	LIMIT OF INSURANCE	DAILY RATE	ESTIMATED PREMIUM
COMPREHENSIVE	STATED IN ITEM TWO	\$ See Page 2 of 6	\$
SPECIFIED CAUSES OF LOSS		CA DS 14 02 03	Excluded
		\$	
COLLISION		\$	
TOTAL PREMIUM			\$

ITEM SEVEN

SCHEDULE FOR GROSS RECEIPTS RATING BASIS - LIABILITY COVERAGE

ESTIMATED YEARLY Gross Receipts	RATES Per \$100 Of Gross Receipts				PREMIUMS			
	LIABILITY	AUTO MEDICAL PAYMENTS	MEDICAL EXPENSE BENEFITS (VA. Only)	INCOME LOSS BENEFITS (VA. Only)	LIABILITY	AUTO MEDICAL PAYMENTS	MEDICAL EXPENSE BENEFITS (VA. Only)	INCOME LOSS BENEFITS (VA. Only)
	\$	\$	\$	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL PREMIUMS					\$	\$	\$	\$
MINIMUM PREMIUMS					\$	\$	\$	\$

When used as a premium basis:

Gross Receipts means the total amount to which you are entitled for shipping or transporting property during the policy period regardless of whether you or any other carrier originate the shipment or transportation. "Gross Receipts" includes the total amount received from renting equipment, with or without drivers, to anyone who is not a "trucker" and 15% of the total amount received from renting any equipment to any "trucker". Gross Receipts does not include:

- Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
- Advertising Revenue.
- Taxes which you collect as a separate item and remit directly to a governmental division.
- C.O.D. collections for cost of mail or merchandise including collection fees.
- Warehouse storage fees.

POLICY FORMS SCHEDULE

AE 000 05 05	POLICY JACKET
IL DS 00 07 02	COMMON POLICY DECLARATIONS
CA DS 14 02 03	TRUCKERS DECLARATIONS PAGE
AE 001 05 05	POLICY FORMS SCHEDULE
CA 164 (1) 12 90	SCHEDULE OF COVERED AUTOS
CA 00 12 03 06	TRUCKERS COVERAGE FORM
IL 00 03 07 02	CALCULATION OF PREMIUM
IL 00 17 11 98	COMMON POLICY CONDITIONS
IL 00 21 07 02	NUCLEAR ENERGY LIABILITY EXCLUSION
ILN 001 09 03	FRAUD STATEMENT
CA 00 38 12 02	WAR EXCLUSION
CA 01 50 03 06	SOUTH CAROLINA CHANGES
CA 02 30 06 99	SOUTH CAROLINA CHANGES - CANCELLATION AND NONRENEWAL
CA 20 18 12 93	PROFESSIONAL SERVICES NOT COVERED
CA 21 19 03 06	SOUTH CAROLINA UNINSURED MOTORIST COVERAGE
CA 21 88 08 01	SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE
AE 005TK 05 05	CHANGE IN COVERED AUTO SECTION 1
AE 006 05 05	CARE CUSTODY AND CONTROL
AE 007 05 05	ABSOLUTE POLLUTION EXCLUSION
AE 008TK 05 05	OTHER INSURANCE
AE 009 05 05	DEFINE USE FOR VEHICLE FOR BUSINESS OPERATIONS
AE 010TK 05 05	WHO IS AN INSURED
AE 011 05 05	DEFINE LIMIT OF INSURANCE
AE 013TK 05 05	DEFINE PREMIUM AUDIT AND HOLD HARMLESS AGREEMENT
AE 014TK 05 05	DEFINE DEFINITION OF ACCIDENT
AE 015TK 05 05	DEFINE UNAUTHORIZED PERSON
AE 016 05 05	MODIFY EFFECTIVE TIME ON DECLARATIONS PAGE
AE 019TK 05 05	DEFINE EXCLUSION FOR TERRITORY - MEXICO
AE SIGN 01 06	SIGNATURE PAGE

POLICY NUMBER TC025758

ITEM THREE - SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd):

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TRUCKERS 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 VI - Definitions.

SECTION I - COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
41	Any "Autos"	
42	Owned "Autos" Only	Only the "autos" you own (and for Liability Coverage any "trailers" you don't own while connected to a power unit you own). This includes those "autos" you acquire ownership of after the policy begins.
43	Owned Commercial "Autos" Only	Only those trucks, tractors and "trailers" you own (and for Liability Coverage any "trailers" you don't own while connected to a power unit you own). This includes those trucks, tractors and "trailers" you acquire ownership of after the policy begins.
44	Owned "Autos" Subject To No-Fault	Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the No-Fault law in the state where they are licensed or principally garaged.
45	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that, because of the law in the state where they are licensed or principally garaged, are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
46	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
47	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "private passenger type auto" you lease, hire, rent or borrow from any member of your household, any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or agents or members of their households.
48	"Trailers" In Your Possession Under A Written Trailer Or Equipment Interchange Agreement	Only those "trailers" you do not own while in your possession under a written "trailer" or equipment interchange agreement in which you assume liability for "loss" to the "trailers" while in your possession.

Symbol	Description Of Covered Auto Designation Symbols	
49	Your "Trailers" In The Possession Of Anyone Else Under A Written Trailer Interchange Agreement	Only those "trailers" you own or hire while in the possession of anyone else under a written "trailer" interchange agreement. When Symbol "49" is entered next to a Physical Damage Coverage in Item Two of the Declarations, the Physical Damage Coverage exclusion relating to "loss" to a "trailer" in the possession of anyone else does not apply to that coverage.
50	Nonowned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "private passenger type autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.
59	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.

B. Owned Autos You Acquire After The Policy Begins

1. If Symbols 41, 42, 43, 44, 45 or 59 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 46 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".

3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II - LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

a. You for any covered "auto".

b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

- (1) The owner or anyone else from whom you hire or borrow a covered "private passenger type auto".
- (2) Your "employee" or agent if the covered "auto" is a "private passenger type auto" and is owned by that "employee" or agent or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "private passenger type auto" owned by him or her or a member of his or her household.

c. The owner or anyone else from whom you hire or borrow a covered "auto" that is a "trailer" while the "trailer" is connected to another covered "auto" that is a power unit, or, if not connected:

- (1) Is being used exclusively in your business as a "trucker"; and
- (2) Is being used pursuant to operating rights granted to you by a public authority.

d. The owner or anyone else from whom you hire or borrow a covered "auto" that is not a "trailer" while the covered "auto":

- (1) Is being used exclusively in your business as a "trucker"; and
- (2) Is being used pursuant to operating rights granted to you by a public authority.

e. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

However, none of the following is an "insured":

a. Any "trucker" or his or her agents or "employees", other than you and your "employees":

- (1) If the "trucker" is subject to motor carrier insurance requirements and meets them by a means other than "auto" liability insurance.
- (2) If the "trucker" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are being used exclusively in the "truckers" business and pursuant to operating rights granted to the "trucker" by a public authority.

b. Any rail, water or air carrier or its "employees" or agents, other than you and your "employees", for a "trailer" if "bodily injury" or "property damage" occurs while the "trailer" is detached from a covered "auto" you are using and:

- (1) Is being transported by the carrier; or
- (2) Is being loaded on or unloaded from any unit of transportation by the carrier.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-Of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limit specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement. But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In the exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.

- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a, above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

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

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- 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; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" 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 that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III - TRAILER INTERCHANGE COVERAGE

A. Coverage

1. We will pay all sums you legally must pay as damages because of "loss" to a "trailer" you don't own or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The "trailer's" collision with another object; or
- (2) The "trailer's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the "trailer".

c. Collision Coverage

Caused by:

- (1) The "trailer's" collision with another object; or
- (2) The "trailer's" overturn.

2. We have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for any "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

3. Coverage Extensions

The following applies as Supplementary Payments. We will pay for you:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All costs taxed against the "insured" in any "suit" against the "insured" we defend.

- e. All interest on the full amount of any judgment that accrues after entry of the judgment; but our duty to pay interest ends when we have paid, offered to pay, or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

B. Exclusions

- 1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss":

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or 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.

- 2. We will not pay for loss of use.

- 3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this Insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

C. Limit Of Insurance And Deductible

The most we will pay for "loss" to any one "trailer" is the least of the following amounts minus any applicable deductible shown in the Declarations:

- 1. The actual cash value of the damaged or stolen property at the time of the "loss".
- 2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- 3. The Limit of Insurance shown in the Declarations.

SECTION IV - PHYSICAL DAMAGE COVERAGE

A. Coverage

- 1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing - Private Passenger Autos

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the "private passenger type" is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extension

a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the "private passenger type". We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "Insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or 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.

2. We will not pay for "loss" to any of the following:

- a. Any covered "auto" while in anyone else's possession under a written trailer interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.
- b. Any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for any such contest or activity.
- c. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- d. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- e. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- f. Any accessories used with the electronic equipment described in Paragraph e. above.

Exclusions 2.e. and 2.f. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or

b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.
3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:
- a. Wear and tear, freezing, mechanical or electrical breakdown.
 - b. Blowouts, punctures or other road damage to tires.
4. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of "loss"; or
 - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION V -- TRUCKERS CONDITIONS

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

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

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

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the accident or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "Insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "Insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination at our expense, by physicians of our choice, as often as we reasonably require.
- c. If there is a "loss" to a covered "auto" or its equipment you must also do the following:
 - (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
 - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
 - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
 - (4) Agree to examination under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment -- Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligation under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Ballee -- Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance – Primary And Excess Insurance Provisions

- a. This Coverage Form's Liability Coverage is primary for any covered "auto" while hired or borrowed by you and used exclusively in your business as a "trucker" and pursuant to operating rights granted to you by a public authority. This Coverage Form's Liability Coverage is excess over any other collectible insurance for any covered "auto" while hired or borrowed from you by another "trucker". However, while a covered "auto" which is a "trailer" is connected to a power unit, this Coverage Form's Liability Coverage is:
 - (1) On the same basis, primary or excess, as for the power unit if the power unit is a covered "auto".
 - (2) Excess if the power unit is not a covered "auto".
- b. Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".
- c. Except as provided in Paragraphs a. and b. above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.
- d. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- e. Regardless of the provisions of Paragraphs a., b. and c. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- f. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.
The coverage territory is:
 - a. The United States of America;
 - b. The territories and possessions of the United States of America;
 - c. Puerto Rico;
 - d. Canada; and
 - e. Anywhere in the world if:
 - (1) A covered "auto" of the "private passenger" type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
 - (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION VI - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily Injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";

(2) Otherwise in the course of transit by or on behalf of the "insured";

(3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

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

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured Contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement, entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in Paragraph 1., 2., 3. or 4. 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":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

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".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Private passenger type" means a private passenger or station wagon type "auto" and includes an "auto" of the pickup or van type if not used for business purposes.
- N. "Property damage" means damage to or loss of use of tangible property.
- O. "Suit" means a civil proceeding in which:
 - 1. Damages because of "bodily injury" or "property damage"; or

- 2. A "covered pollution cost or expense", to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" submits with our consent.
- P. "Trailer" includes semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.
 - Q. "Trucker" means any person or organization engaged in the business of transporting property by "auto" for hire.
 - R. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAR EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Liability Coverage

The War exclusion under Paragraph B. Exclusions of Section II - Liability Coverage is replaced by the following:

WAR

"Bodily injury", "property damage" or "covered pollution cost or expense" arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- 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; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

B. Changes In Garagekeepers Coverage

If the Garagekeepers Coverage endorsement or the Garagekeepers Coverage - Customers' Sound Receiving Equipment endorsement is attached, the following exclusion is added:

We will not pay for "loss" caused by or resulting from the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss":

WAR

- (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.

C. Changes In Auto Medical Payments

If the Auto Medical Payments Coverage endorsement is attached, then Exclusion C.6. is replaced by the following:

6. "Bodily injury", arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- 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; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Changes In Uninsured/Underinsured Motorists Coverage

If Uninsured and/or Underinsured Motorists Coverage is attached, then the following exclusion is added:

This insurance does not apply to:

WAR

1. "Bodily injury" or "property damage", if applicable, arising directly or indirectly, out of:
 - a. War, including undeclared or civil war;
 - 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; or

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

E. Changes in Personal Injury Protection Coverage

- 1. If Personal Injury Protection, no-fault, or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a War exclusion, that exclusion is replaced by Paragraph 2.
 - b. Does not contain a war exclusion, Paragraph 2. is added.

- 2. This Insurance does not apply to:

WAR

"Bodily injury" or "property damage", if applicable, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- 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; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

F. Changes in Single Interest Automobile Physical Damage Insurance Policy

The War exclusion is replaced by the following:

- a. War, including undeclared or civil war;
- 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; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. Concealment, Misrepresentation Or Fraud, General Condition 2., does not apply to Section II - Liability Coverage.
- B. The Business Auto, Truckers and Motor Carrier Coverage Forms are changed as follows:
The Expected Or Intended Injury Exclusion is replaced by the following:
"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". However, this exclusion does not apply for amounts up to the limits of liability required by the South Carolina Financial Responsibility Act.
- C. The Garage Coverage Form is changed as follows:
 1. Changes In Liability Coverage
Paragraph a.2.(d) of the Who Is An Insured Provision in Section II - Liability Coverage is replaced by the following:
Your customers. However, those customers are "insureds" up to the compulsory or financial responsibility law limits where the covered "auto" is principally garaged.
2. The Expected Or Intended Injury Exclusion is replaced by the following:
"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". However this exclusion does not apply:
 - a. For amounts up to the limits of liability required by the South Carolina Financial Responsibility Act.
 - b. To "bodily injury" resulting from the use of reasonable force to protect persons or property, for "garage operations" other than covered "autos".
- D. Physical Damage Coverage is changed as follows:
No deductible applies to auto safety glass. All other Physical Damage Coverage provisions will apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA CHANGES " CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. The Cancellation Common Policy Condition is amended as follows:

1. Paragraph 2. is replaced by the following:

We will mail or deliver to you and your agent written notice of cancellation, stating the reason(s) for cancellation, at the addresses shown in the policy, at least:

- a. 10 days before the effective date of cancellation if cancellation is for nonpayment of premium.
- b. 30 days before the effective date of cancellation if cancellation is for any other reason.

2. The following is added to Paragraph 4:

If this policy is canceled during the first 60 days, and is not a renewal or a continuation policy, the cancellation will be effective only on or after the 61st day of the policy period.

3. The following is added:

If this policy has been in effect for more than 90 days, we may cancel this policy only for the following reasons:

- a. Nonpayment of Premium;

- b. Material misrepresentation of fact, which if known to us would have caused us not to issue the policy;

- c. Substantial change in the risk assumed, except to the extent that we should have reasonably foreseen the change or contemplated the risk in writing the policy;

- d. Substantial breach of contractual duties, conditions or warranties; or

- e. Loss of our reinsurance covering all or a significant part of the particular risk insured, or where continuation of the policy would imperil our solvency or place us in violation of the laws of South Carolina.

B. Nonrenewal

If we decide not to renew or continue this policy, we will mail to you and your agent, written notice, stating the reason(s) for nonrenewal, at the addresses shown in the policy, at least 30 days before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL SERVICES NOT COVERED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

LIABILITY COVERAGE is changed by adding the following exclusions:

This insurance does not apply to:

1. "Bodily injury" resulting from the providing or the failure to provide any medical or other professional services.
2. "Bodily injury" resulting from food or drink furnished with these services.
3. "Bodily injury" or "property damage" resulting from the handling of corpses.

POLICY NUMBER: TC025758

COMMERCIAL AUTO
CA 21 19 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA UNINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT	
Endorsement Effective Date: 2/9/2007	
Countersignature Of Authorized Representative	
Name: Marilyn J. Peterson	
Title:	
Signature:	
Date: 2/9/2007	

SCHEDULE

Limit Of Insurance:	\$ 75,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. Coverage

We will pay in accordance with the South Carolina Uninsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
 - c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. The first \$200 of the amount of "property damage" to the property of each "insured" as the result of any one "accident".

5. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

6. "Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- 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; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule. If the "bodily injury" or "property damage" is sustained by an individual Named Insured or any "family member" while "occupying" a covered "auto", our limit is the sum of:

- a. The limit of insurance shown in the Schedule for this coverage as applicable to a covered "auto"; and
- b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

- a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" or "property damage" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member", is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

- b. The individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a. above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

- a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and
- b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained in an "accident" by an individual Named Insured or any "family member" while "occupying" a vehicle not owned by that Named Insured or any "family member", the most we will pay for all damages resulting from the "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" or "property damage" is sustained by an "insured" other than an individual Named Insured or any "family member" in an "accident" in which neither such Named Insured nor any "family member" sustained "bodily injury" or "property damage", the most we will pay for all damages resulting from that "accident" is the limit of insurance shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

6. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. Changes in Conditions

1. Other Insurance In Business Auto and Garage Coverage Forms and Other Insurance - Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms is replaced by the following:

- a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

FIRST PRIORITY	The policy affording Uninsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
SECOND PRIORITY	Any policy affording Uninsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

- (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.

- (2) If there is applicable insurance available under the first priority:

- (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and

- (b) The maximum recovery in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.

- b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits in the same level of priority.

- c. For "property damage", this insurance is excess to all collectible insurance of any kind.

- d. Except for "property damage", the reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and

3. Transfer Of Rights Of Recovery Against Others To Us is replaced by the following:

- a. If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us to the extent of such payment that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" or loss to impair them.
- b. If an "insured" has prosecuted to judgment any "suit" against anyone responsible, we will be entitled to an assignment of the judgment to the extent of payment under this insurance that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act.
- c. We will pay our proportionate part of any reasonable costs and expenses incurred for any recovery, including reasonable attorneys' fees. However, we reserve the right to retain an attorney of our choice to pursue a claim instead of reasonable attorneys' fees.
- d. If an "insured" making a claim for "property damage" under this insurance is also entitled to insurance or other compensation for the "property damage", we will not be obligated to pay the claim until the "insured" has assigned us the rights to the compensation to the extent of payment under this insurance that does not exceed the minimum limits specified by the South Carolina Motor Vehicle Financial Responsibility Act.

4. Two Or More Coverage Forms Issued By Us does not apply to Uninsured Motorists Coverage.

5. The following Condition is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" means injury to or destruction of the property of an "insured".

4. "Uninsured motor vehicle" means a land motor vehicle or "trailer":

- a. For which neither a liability bond or policy nor cash or securities deposited with the State Treasurer provides at least the amounts required by the South Carolina Motor Vehicle Financial Responsibility Act.

- b. For which neither the operator nor owner can be identified and that hits or that causes an "accident" resulting in "bodily injury" or "property damage" without hitting an individual Named Insured or a "family member", a vehicle that an individual Named Insured or any "family member" are "occupying", the Named Insured's covered "auto" or any of such Named Insured's property.

The facts of the "accident" must be corroborated by competent evidence of an eyewitness other than the owner or operator of the vehicle that an individual Named Insured or any "family member" were "occupying" at the time of the "accident". The eyewitness must sign an affidavit attesting to the truth of the facts of the "accident" contained in the affidavit.

- c. For which an insuring or bonding company successfully denies coverage, is or becomes insolvent, is in delinquency proceedings, suspension or receivership, or is proven unable to respond to a judgment.

- d. For which the owner has not qualified as a self-insurer in accordance with the applicable provisions of the South Carolina Insurance Laws.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
- b. Owned by any governmental unit or agency unless a cause of action against that governmental unit or agency is barred by the Tort Claims Act, South Carolina Laws 1986, Ratification No. 614, Subsection 15-78-60, or by other applicable statute.
- c. Designed for use mainly off public roads while not on public roads.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH CAROLINA UNDERINSURED MOTORISTS COVERAGE

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, South Carolina, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective: 2/9/07	Countersigned By: (Authorized Representative)
Named Insured: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT	

SCHEDULE

Limit Of Liability \$ 75,000 each "accident"	Premium \$ 62.00
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(If no entry appears above, information required to complete this endorsement will be shown in the declarations as applicable to this endorsement.)

A. Coverage

1. We will pay in accordance with the South Carolina Underinsured Motorists Law all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by an "insured" or "property damage" caused by an "accident". The owner's or driver's liability for these damages must arise out of the ownership, maintenance, or use of the "underinsured motor vehicle".
2. We will pay under this coverage only after any liability bonds or policies have been exhausted by payment of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This coverage does not apply to any of the following:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
3. That part of "property damage" for which an "insured" has been compensated by insurance or otherwise.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Underinsured Motorists Coverage shown in the Schedule. If the "bodily injury" is sustained by any "insured" while "occupying" a covered "auto", or if the Named Insured's covered "auto" sustains "property damage" in an "accident", our limit is the sum of:

- a. The limit of insurance shown in the Schedule for this coverage applicable to a covered "auto"; and
- b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

2. Subject to the maximum limit of insurance for all damages:

- a. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" sustained in an "accident" by an "insured" other than an individual Named Insured or any "family member" is that "insured's" pro rata share of the limit shown in the Schedule for this coverage that applies to the vehicle that "insured" was "occupying" at the time of the "accident".

b. An individual Named Insured or any "family member" who sustains "bodily injury" or "property damage" in that "accident" will also be entitled to a pro rata share of the limit described in Paragraph a, above.

A person's pro rata share shall be the proportion that that person's damages bears to the total damages sustained by all "insureds".

3. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained by an individual Named Insured or any "family member" while not "occupying" any "auto", the most we will pay for all damages resulting from that "accident" is the sum of:

- a. The highest limit of insurance for this coverage applicable to any one of such Named Insured's covered "autos"; and
- b. That part of the limit for this coverage that applies to each additional covered "auto" that does not exceed the limit of insurance applicable to the covered "auto" involved in the "accident".

4. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", if "bodily injury" is sustained in an "accident" by an individual Named Insured or any "family member", while "occupying" a vehicle not owned by that Named Insured or any "family member" the most we will pay for all damages resulting from that "accident" will be the highest limit of insurance for this coverage that applies to any one of such Named Insured's covered "autos".

5. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement, or Uninsured Motorists Coverage Endorsement attached to this Coverage Form.

We will not make a duplicate payment under the Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of loss under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions.

1. Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance - Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

a. If an "insured" sustains "bodily injury" while "occupying" a vehicle not owned by that person or while not "occupying" any vehicle, the following priorities of coverage apply:

First Priority	The policy affording Underinsured Motorists Coverage to the vehicle the "insured" was "occupying" at the time of the "accident".
Second Priority	Any policy affording Underinsured Motorists Coverage to a Named Insured or a family member, if the Named Insured is an individual.

- (1) If there is no applicable insurance available under the first priority, the maximum recovery under all policies in the second priority shall not exceed the highest applicable limit for any one vehicle under any one policy.
- (2) If there is applicable insurance available under the first priority:
- (a) The limit of insurance applicable to the vehicle the "insured" was "occupying", under the policy in the first priority, shall first be exhausted; and
- (b) The most we will pay in the second priority shall not exceed the highest limit for any one vehicle under any one policy in the second priority.
- b. We will pay only our share of the loss, not to exceed our share of the maximum recovery. Our share is the proportion that our limit of insurance bears to the total of all applicable limits on the same level of priority.
- c. For "property damage", this insurance is excess to all collectible insurance of any kind.
- d. For "bodily injury" this insurance is excess to any other collectible Underinsured Motorists Coverage.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

Promptly send us copies of the legal papers if a "suit" is brought.

3. Transfer Of Rights Of Recovery Against Others To Us does not apply to Underinsured Motorists Coverage.

4. Two Or More Coverage Forms Issued By Us does not apply to Underinsured Motorists Coverage.

5. The following provision is added:

CONFORMITY TO STATUTE

This endorsement is intended to be in full conformity with the South Carolina Insurance Laws. If any provision of this endorsement conflicts with that law, it is changed to comply with the law.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Property damage" as used in this endorsement means injury to or destruction of the Named Insured's covered "auto". However, "property damage" does not include damage to property owned by the "insured" while contained in the Named Insured's covered "auto".
4. "Underinsured motor vehicle" means a land motor vehicle or "trailer" of any type to which a liability bond or policy applies at the time of the "accident" in limits equal to or greater than the minimum limit for liability specified by the South Carolina Financial Responsibility Act, but the limits of that bond or policy provide a limit that is less than the amount the "insured" is legally entitled to recover as damages caused by the "accident".

However, "underinsured motor vehicle" does not include any vehicle or equipment designed for use mainly off public roads while not on public roads.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective 2/9/2007

forms part of policy number: TC025758

issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

**AMENDATORY ENDORSEMENT
CHANGES IN COVERED AUTOS (SECTION I)
TRUCKERS COVERAGE FORM**

NEWLY ACQUIRED AUTOS/TEMPORARY SUBSTITUTE

B. OWNED AUTOS YOU ACQUIRE AFTER THE POLICY BEGINS

ITEM 2. is replaced as follows:

2. But, if symbol 46 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:

- a. You have reported the auto to us.

**C. CERTAIN TRAILERS, MOBILE EQUIPMENT AND TEMPORARY
SUBSTITUTE AUTOS**

ITEM 3. is replaced as follows:

3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
- a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

However, If symbol 46 is entered next to a coverage in ITEM TWO of the Declarations, such a temporary substitute will be a covered "auto" for that coverage only if you have reported the temporary substitute auto to us.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

AUTHORIZED REPRESENTATIVE

AE 0057K 05 2005

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective 2/9/2007

forms part of policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

**AMENDATORY ENDORSEMENT
CHANGES IN LIABILITY COVERAGE (SECTION II)
BUSINESS AUTO COVERAGE FORM
TRUCKERS COVERAGE FORM**

CARE, CUSTODY OR CONTROL EXCLUSION

B. EXCLUSIONS

ITEM 6. CARE, CUSTODY OR CONTROL is replaced as follows:

6. CARE, CUSTODY OR CONTROL

"Properly damage" to or "covered pollution cost or expense" involving property owned or transported by any "insured" or in any "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

AUTHORIZED REPRESENTATIVE

AE 006 03/2006

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of Policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

**AMENDATORY ENDORSEMENT
BUSINESS AUTO COVERAGE FORM
TRUCKERS COVERAGE FORM
CHANGES IN LIABILITY COVERAGE (SECTION II)**

ABSOLUTE POLLUTION EXCLUSION

B. EXCLUSIONS

ITEM 11. Is replaced as follows:

This Insurance does not apply to any of the following:

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

(1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto"; including but not limited to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts,

(2) Otherwise in the course of transit by or on behalf of the "Insured"; or

(3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "Insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained is moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "Insured".

d. Any "covered pollution cost or expense" associated with the clean up of any "pollutants".

The Insured and the Company agree that the intent of this form is to exclude pollution of any kind and from any cause.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

AE 007 05 2005

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective 2/9/2007

forms part of policy number: TC025758

issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

**AMENDATORY ENDORSEMENT
TRUCKERS COVERAGE FORM
CHANGES IN TRUCKERS CONDITIONS (SECTION V)**

OTHER INSURANCE

B. GENERAL CONDITIONS

ITEM 5 is replaced as follows:

5. OTHER INSURANCE - Primary and Excess Insurance Provisions

- a. This Coverage Form's Liability Coverage is primary for any covered "auto" you own. This Coverage Form's Liability Coverage is excess over any other collectible insurance for any covered "auto" while hired or borrowed from you by another. The insurance provided by this Coverage Form shall apply to a "trailer" attached to a motor vehicle scheduled as a "covered auto" under this policy only if there is not other valid and collectible insurance available either on a primary or excess basis to said "trailer." The insurance provided under this Coverage Form shall not apply if there is any other coverage applicable to the "trailer" on any basis.
- b. Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered "auto".
- c. Except as provided in paragraphs a. and b. above, this Coverage Form provides primary insurance for any covered "auto" you own and excess insurance for any covered "auto" you don't own.
- d. For Hired Auto Physical Damage coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- e. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

~~AUTHORIZED REPRESENTATIVE~~

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective 2/9/2007

forms part of policy number: TC025758

issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy Inception.

AMENDATORY ENDORSEMENT

**BUSINESS AUTO COVERAGE FORM
TRUCKERS COVERAGE FORM**

This endorsement modifies insurance provided under this policy as follows:

"Coverage under this policy will be afforded only while such scheduled automobile is being operated in the business of the named insured; not as a private passenger auto."

"Any person deemed an insured is covered under this policy; but only while said insured driver is operating a scheduled automobile in the furtherance of the named insured's business."

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

AE 009 05/2005

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Aequicap 000048

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms a part of policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

**AMENDATORY ENDORSEMENT
TRUCKERS COVERAGE FORM
CHANGES IN LIABILITY COVERAGE (SECTION II)**

SECTION II - LIABILITY COVERAGE

PARAGRAPH A. "COVERAGE", ITEM 1. "WHO IS AN INSURED" is replaced as follows:

The following are "insureds":

A. You for any covered "auto" only when the covered "auto" is driven by an approved driver described in paragraph "B" of this section II.A.1.

B. Any driver authorized as a commercial truck driver while Operating covered "auto" with your knowledge and consent under your operating authority.* No coverage will apply to any driver newly placed in service after the policy begins until you report that driver to us and we advise you in writing that he/she is acceptable to us and that he/she is covered under the policy. Coverage on any such driver newly placed in service will become effective as of the date and time we advise you he/she is acceptable and that they are covered by the policy and not before. Subject to the reporting methods outlined and agreed to in the notification procedure outline signed by the insured and the agent prior to coverage being effected under the policy.

*Only such drivers listed as of the date this policy begins, on the schedule in the original application signed by you, and not otherwise excluded are covered as of the date this policy begins.

C. However, none of the following is an "insured":

1. Any "trucker" or his or her agents or employees, other than you and your employees:

(1) If the "trucker" is subject to motor carrier insurance requirements and meets them by a means other than "auto

liability insurance.

(2) If the "trucker" is not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "auto" and their agents and employees while the "autos" are being used exclusively in the "truckers" business and pursuant to operating rights granted to the "trucker" by a public authority.

2. Any rail, water or air carrier or its employees or agents, other than you and your employees, for a "trailer" if "bodily injury" or "property damage" occurs while the "trailer" is detached from a covered "auto" you are using and:

(1) Is being transported by the carrier; or

(2) Is being loaded on or unloaded from any unit of transportation by the carrier.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of Policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy Inception.

**AMENDATORY ENDORSEMENT
BUSINESS AUTO COVERAGE FORM
TRUCKERS COVERAGE FORM**

CHANGES IN LIABILITY COVERAGE (SECTION II)

SECTION II - LIABILITY COVERAGE

PARAGRAPH C. "LIMIT OF INSURANCE" is replaced as follows:

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "Covered pollution cost or expense" combined, resulting from any one "accident" is the Single Limit of Insurance for Liability Coverage shown in the "Declarations".

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident". Multiple claims or suits arising out of a single act or omission or related series of acts or omissions are to be treated as one claim providing a single coverage limit.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

AE 011 05 2005

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Aequicap 000050

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of Policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

**AMENDATORY ENDORSEMENT
TRUCKERS COVERAGE FORM
CHANGES IN TRUCKERS CONDITIONS (SECTION V)
PREMIUM AUDIT AND HOLD HARMLESS AGREEMENT**

B. GENERAL CONDITIONS

ITEM 6. PREMIUM AUDIT is replaced as follows:

6. PREMIUM AUDIT

- a. The estimated premium for this Coverage Form is based upon the exposures and power units you told us you had when this policy began. If this policy is written on a gross receipts basis or mileage basis, the rate contemplates these initial exposures and a premium charge is made for each power unit. If, during the course of the policy period, the actual gross receipts or mileage reported to us is lower or higher than the original estimate and/or the number of power units change, we reserve the right to amend the rate and the estimated basis to reflect the actual exposures. However, the premium charge for each power unit will not change. Failure to pay the premium based upon the new rate could result in the cancellation of this coverage for non-payment. We also reserve the right to audit your records and books to verify the actual exposures and compute the final premium due. The total reported basis and premium will be credited against the total actual basis and premium and the first Named Insured will be billed for the balance, if any. If the total reported basis and premium exceeds the total actual final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based upon our rate or premiums in effect at the beginning of each year of the policy.

THE FOLLOWING CONDITION, ITEM 9. HOLD HARMLESS AGREEMENT IS ADDED:

9. HOLD HARMLESS AGREEMENT:

If this Coverage Form is replaced with another insurance company at any time during the policy period or at expiration date and we have made Motor Carrier Filings on your behalf, you will provide us with a duly authorized Hold Harmless Agreement from the replacing insurance company. This agreement will reflect the time period from the cancellation and/or expiration date of the policy to the cancellation effective date of the Motor Carrier Filings.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of Policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

AMENDATORY ENDORSEMENT

**TRUCKERS COVERAGE FORM
CHANGES IN DEFINITIONS (SECTION VI)**

SECTION VI - DEFINITIONS

PARAGRAPH A. "Accident" is replaced as follows:

A. "Accident" includes continuous or repeated exposure to the same general conditions resulting in "bodily injury" or "property damage". Multiple claims or suits arising out of a single act or omission or related series of acts or omissions are to be treated as one accident providing a single coverage limit.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy Inception.

**AMENDATORY ENDORSEMENT
TRUCKERS COVERAGE FORM
CHANGES IN TRUCKERS CONDITIONS (SECTION V)
UNAUTHORIZED PERSONS**

B. GENERAL CONDITIONS

The following policy conditions are added to the General Conditions, Item 10.
UNAUTHORIZED PERSONS.

10. UNAUTHORIZED PERSONS:

1. You must prohibit the use of a covered "auto" for the transportation of
unauthorized persons.

"Unauthorized Persons" mean any person who is NOT:

- a. You, your employees, partners, a lessee or borrower or any of their employees, or
- b. Any person transported when aid is being rendered in case of an accident or other emergency, or
- c. An attendant delegated to care for livestock, or
- d. A person specifically authorized in writing by you which shall state the name of the person to be transported, the points where transportation will begin and end and the dates such authority will begin and end.

2. Notice of an authorization as described in 1. d. above for transporting a person must be provided to and approved by us prior to the transportation of the person.

Failure by you to comply with these conditions of the policy will subject the policy to cancellation by us, even if the policy has been in effect for 60 days or more.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

AE 015TK 05 2005

Aequicap 000053

640

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

AMENDATORY ENDORSEMENT

EFFECTIVE TIME CHANGES

This endorsement modifies the **COMMON POLICY DECLARATIONS**.

The 12:01A.M. inception and expiration time of this policy is replaced by 11:48:00 AM.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AE 016 05/2005

641

Aequicap 000054

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement effective 2/9/2007

forms part of policy number: TC025758

Issued to: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

The above section is not subject to be completed if this endorsement was issued at Policy inception.

AMENDATORY ENDORSEMENT

TRUCKERS COVERAGE FORM

CHANGES IN TRUCKERS CONDITIONS (SECTION V)

SECTION V - TRUCKERS CONDITIONS

B. General Conditions. Item 7

PARAGRAPH 7. ("POLICY PERIOD, COVERAGE TERRITORY")

The following exclusion is added:

f. MEXICO TRUCKERS' AUTO LIABILITY COVERAGE EXCLUSION

Your Truckers' Auto Liability Protection does not include claims for accidents involving covered autos which occur in the Republic of Mexico.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

WARNING

If you have an accident in Mexico you may spend many hours or days in jail and your vehicle may be impounded. To avoid these complications and possible other penalties you should purchase insurance coverage from a company licensed to write automobile insurance under the laws of Mexico.

AUTHORIZED REPRESENTATIVE

AE 019TK 05 2005

In Witness Whereof, the Issuing Company has caused this policy to be signed officially below and countersigned on the Declarations page by a duly authorized representative of said Company.


President


Secretary

AEQUICAP INSURANCE COMPANY
FORT LAUDERDALE, FLORIDA 33309

AE SIGN 01/2006
666



SOUTH CAROLINA AUTO SUPPLEMENT

AGENCY The Walling Agency, Inc.		APPLICANT/NAME/INSURED TRAVIS D SCOTT DBA FISCAL TRANSPORT	
CODE: 3920675	SUB CODE:	COMPANY: Aequicap Insurance Company	EFFECTIVE DATE 2/9/2007
		POLICY #: APP44263194	

1. OFFER OF ADDITIONAL UNINSURED MOTORIST COVERAGE AND OPTIONAL UNDERINSURED MOTORIST COVERAGE

Automobile liability insurance coverage pays other motor vehicle drivers and their passengers for damages caused by you and for which you are legally responsible. There are two types of automobile liability insurance coverage: bodily injury and property damage. Bodily injury coverage pays for bodily injuries to others inflicted by your motor vehicle. Property damage coverage pays for damages which your motor vehicle causes to other motor vehicles or property.

Under South Carolina law, an insurance company may refuse to write your automobile liability insurance for a number of reasons. If an insurance company decides to write your automobile liability insurance coverage, however, it must provide at least \$25,000 of bodily injury coverage for each person whom you may injure in any single accident and \$50,000 of bodily injury coverage for two or more people whom you may injure in any single accident. The insurance company must also provide at least \$25,000 in property damage coverage for each accident you may cause. You may have seen these limits described as \$25,000/\$50,000/\$25,000 or 25-50-25. These limits are commonly-known as minimum limits. In order to drive your automobile upon the roads of this State, you must have at least these minimum limits of insurance, unless you post a satisfactory bond or pay a \$550 fee to drive uninsured. There is no requirement that an insurance company offer higher than minimum limits of automobile liability insurance coverage. If your insurance company does offer more than the minimum limits, you will be required to pay an additional premium for those increased limits of protection.

An insurer that writes your automobile liability insurance coverage must also offer two additional coverages which will protect you in the event you are damaged in an automobile accident by an at-fault driver who either has no automobile insurance or whose automobile insurance liability limits are less than your damages in that accident. These coverages are termed additional uninsured motorist coverage and optional underinsured motorist coverage, respectively. You may also see them referred to as UM and/or UIM. If you decide to purchase either of these coverages, you will be required to pay an additional premium for each of these coverages.

Uninsured motorist coverage compensates you, or other persons insured under your automobile insurance policy, for amounts which you may be legally entitled to collect as damages from an owner or operator of an at-fault uninsured motor vehicle. An uninsured motor vehicle is a motor vehicle which either has no liability insurance coverage or is operated by a hit-and-run driver. By law, your automobile insurance policy automatically provides uninsured motorist coverage of \$25,000/\$50,000/\$25,000. There is a \$200 deductible for uninsured property damage claims.

You also have the right to buy additional uninsured motorist coverage, in various limits up to the limits of the liability coverage you have purchased. The limits of additional uninsured motorist coverage which your insurance company is authorized to write and for which you are eligible are shown on this form, together with the additional premium for those increased limits. You may not purchase uninsured motorist coverage with limits in excess of your liability limits.

Underinsured motorist coverage compensates you, or other persons insured under your automobile insurance policy, for amounts which you legally may be entitled to collect as damages from an owner or operator of an at-fault underinsured motor vehicle. An underinsured motor vehicle is a motor vehicle which is covered by some form of liability insurance, but which is insufficient to fully compensate you for your damages.

SCDOI Form Number 2006 (rev. 01-01-2007)

ACORD 61 SC (2007/01)

Page 1 of 5

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Your automobile insurance policy does not automatically provide any underinsured motorist coverage. However, you have the right to buy, and your insurance company is required to offer, optional underinsured motorist coverage in various limits up to the limits of liability coverage you have purchased. The limits of optional underinsured motorist coverage which your insurer is authorized to write and for which you are eligible are shown on this form, together with the additional premium for those limits. You may not purchase underinsured motorist coverage with limits in excess of your liability limits.

If you reject optional underinsured or additional uninsured motorist coverages shown on this form and if you are involved in an automobile accident that is not your fault, this form may be used by your insurance company as evidence against you if you make a claim for additional uninsured motorist coverage or optional underinsured motorist coverage.

If you do not complete this form and return it to your insurance company or insurance agent within 30 days, your insurance company is required by law to add additional uninsured motorist coverage and optional underinsured motorist coverage, in the same limits as your automobile liability insurance, to your automobile insurance policy. You will be required to pay an additional premium for each of these coverages and your policy may be canceled for non-payment of that additional premium.

In the future, if you wish to increase or to decrease your limits of additional uninsured motorist coverage or optional underinsured motorist coverage, you must contact either your insurance agent or your insurance company. You will not be presented with another copy of this form by your insurance agent or insurance company upon the renewal of your automobile liability insurance policy. You will not be presented with another copy of this form by your insurance agent or current insurance company when you extend, change, supersede, or replace your automobile liability insurance policy.

Please read this form carefully. Your insurance agent or your insurance company must answer any questions which you may have. If you have any further questions, you may contact the Department of Insurance at:

Office of Consumer Services

South Carolina Department of Insurance

300 Arbor Lake Drive, Suite 1200, Columbia, SC 29223

Post Office Box 100105 Columbia, South Carolina 29202-3105

(803) 737-6180

(800) 768-3467

E-mail Address: CnsmMail@doi.sc.gov

2. Offer of Additional Uninsured Motorist Coverage

Minimum uninsured motorist coverage limits of \$25,000/\$50,000/\$25,000 are automatically provided by your insurance policy. If you select additional uninsured motorist coverage, an additional premium will be charged. The schedule below indicates the premium charges for minimum and increased limits.

a. Individual Named Insureds and Partnerships**1. Split Limits (000's)**

	Number of Autos (premium per auto)					
	1	2	3-4	5-9	10-30	> 30
25/50/25						
50/100/50						
100/300/50						
250/500/50						
Other						

2. Single Limits

LIMIT	Number of Autos (premium per auto)					
	1	2	3-4	5-9	10-30	> 30
75,000		27				
150,000						
300,000						
550,000						
1,000,000		36				

Do you wish to purchase additional uninsured motorist coverage? ☐ YES ☒ NO

If your answer is "NO", you must sign here: *[Signature]*

If your answer is "YES", specify the limits you desire. These limits cannot exceed your automobile insurance liability limits.

☐ I select 1 1 split limits; OR

☒ I select 75,000 single limit.

3. Offer of Optional Underinsured Motorist Coverage

Minimum uninsured motorist coverage limits of \$25,000/\$50,000/\$25,000 are automatically provided by your insurance policy. If you select optional underinsured motorist coverage, an additional premium will be charged. The schedule below indicates the premium charges for minimum and increased limits.

a. Individual Named Insureds and Partnerships**1. Split Limits (000's)**

	Number of Autos (premium per auto)					
	1	2	3 - 4	5 - 9	10 - 30	> 30
25/50/25						
50/100/50						
100/300/50						
250/500/50						
Other						

2. Single Limits

LIMIT	Number of Autos (premium per auto)					
	1	2	3 - 4	5 - 9	10 - 30	> 30
75,000		31				
150,000						
350,000						
550,000						
1,000,000		77				

Do you wish to purchase optional underinsured motorist coverage?

☒ YES ☐ NO

If your answer is "NO", you must sign here: _____

If your answer is "YES", specify the limits you desire. These limits cannot exceed your automobile insurance liability limits.

☐ I select 1 / 1 split limits; OR

☒ I select 75,000 single limit.

4. Applicant's Acknowledgement

By my signature, I acknowledge that I have read, or I have had read to me, the above explanations and offers of additional uninsured motorist coverage and optional underinsured motorist coverage. I understand that the above explanations of these coverages are intended only to be brief descriptions of additional uninsured motorist coverage and optional underinsured motorist coverage, and that payment of benefits under any of these coverages is subject both to the terms and conditions of my automobile insurance policy and to the laws of the State of South Carolina.

My signature below further acknowledges that I understand the coverages as they have been explained to me, and the type and amounts of coverage marked on the preceding pages have been selected by me. This is the type and amount of insurance coverage I wish to purchase.

Type or Print Your Name:

Your Signature:

Your Address:

Today's Date:

TRAVIS D. SCOTT
X *[Signature]*
871 Hampton Drive
Orangeburg, SC ZIP Code: 29118
2/9/07

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY
AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

NAME AND ADDRESS OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118
TC025758

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/07	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

(Applicable item marked ☒)

Cancellation

- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that your insurance will cease at and from the hour and date mentioned above.
See the "Important Notices" section for other information that may apply.
- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that your insurance will cease at and from the hour and date mentioned above.
Reason(s) for Cancellation:

See the "Important Notices" section for other information that may apply.
- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the following physical damage coverage(s), now provided under the above policy, will cease at and from the hour and date mentioned above (the vehicles to which the cancelled physical damage coverage(s) will no longer have application are described in the "Important Notices" section):

Reason(s) for cancellation:

See the "Important Notices" section for other information that may apply.

Premium Adjustment

- ☐ Unearned premium will be refunded to you in accordance with South Carolina law and the terms of the policy.
- ☐ Enclosed is \$ _____, being the amount of return premium at pro rata for the unexpired term of this policy.
- ☐ A bill for the premium earned to the time of cancellation will be forwarded in due course.
- ☐ Cancellation of your policy can be avoided by paying the premium due (\$ _____) to us, your agent, or the licensed premium service company, which is of cancellation mentioned above, insurance under your policy will continue, otherwise your insurance will terminate on the indicated effective date. If you make timely payment, please advise us, your agent, or the premium service company immediately to avoid disruption in coverage.
- ☐ Other: _____

Nonrenewal

- ☒ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that above mentioned policy will expire effective at and from the hour and date mentioned above and the policy will NOT be renewed.
Reason(s) for nonrenewal: Contact Your Agent - Updated Renewal Information Required

See the "Important Notices" section for other information that may apply.
- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the following physical damage coverage(s) now provided under the above mentioned policy, which will expire effective at and from the hour and date mentioned above, will not be renewed, however, the expiring policy, exclusive of the in this notice noted physical damage coverage(s), will be renewed (the vehicles to which the nonrenewed physical damage coverage(s) will no longer have application are described in the "Important Notices" section):

Reason(s) for nonrenewal:

Important Notices

- ☒ Director Review—IMPORTANT NOTICE: Within fifteen days of receiving this notice, you or your attorney may request in writing that the Director of Insurance review this action to determine whether the insurer has complied with South Carolina laws in canceling or nonrenewing your policy. If this insurer has failed to comply with the cancellation or nonrenewal laws, the Director may require that your policy be reinstated. However, the Director is prohibited from making underwriting judgments. If this insurer has complied with the cancellation or nonrenewal laws, the Director does not have the authority to overturn this action.

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY
AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/07	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 180 Ehrhardt SC 29081	

NAME AND ADDRESS OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118
TC025758

Important
Notices
cont'd

Additional Information Regarding the Reason(s) for Cancellation/Nonrenewal: You are hereby notified in accordance with the law that, upon our receipt of a written request from you, the insured, within 90 business days from the date of the mailing of this notice, you will be provided with the following information in writing if it was not provided above: the reason(s) for the cancellation/nonrenewal, the specific items of information that support the reason(s) given for this decision, and/or the identity of the source of that information. Please send your written request to:

AequiCap Program Administrators, Inc. Attn: Underwriting Dept. 3000 West Cypress Creek Rd. Fort Lauderdale FL 33309

(Name and address of the person or department to contact for additional information)

☒ **Automobile Replacement Insurance:** You may be eligible to purchase other insurance coverage through your existing agent, another insurer, or through the Associated Auto Insurers Plan. For more information regarding automobile insurance shopping and availability you may obtain an automobile insurance buyer's guide by contacting the South Carolina Insurance Department, P.O. Box 100105, Columbia, South Carolina 29202-3105, Telephone (803) 737-6180 or (800) 768-3467.

☐ **Description of vehicle(s) to which the above specified physical damage coverage(s) will no longer have application:** _____

☐ **Consumer Report:** In compliance with the Fair Credit Reporting Act (Public Law 91-508) and the Consumer Credit Reform Act of 1996, you are hereby informed that the action taken above is being taken wholly or partly because of information contained in a consumer report from the following consumer reporting agency: (Name) _____ (Phone Number) _____
(Address) _____

Please see additional information for a disclosure of your rights under this federal law.

Additional Information regarding your rights under the Consumer Credit Reform Act

Pursuant to the Consumer Credit Reform Act of 1996, effective September 30, 1997, you are informed that:

The consumer reporting agency identified on this form did not make any decisions regarding the stated insurance policy. Therefore, the consumer reporting agency would not be able to provide you with the specific reasons why the insurance company is taking the present action.

You have the right to obtain within 60 days of the receipt of this notice a free copy of your consumer report from the consumer reporting agency which has been identified on this form.

You have the right to dispute inaccurate information by contacting the consumer reporting agency directly. Once you have directly notified the consumer reporting agency of your dispute, the agency must, within a reasonable period of time reinvestigate and record the current status of the disputed information. If after reinvestigation, such information is found to be inaccurate or unverifiable, such information must be promptly deleted from your records. If the reinvestigation does not resolve the dispute, you may file a brief statement setting forth the nature of the dispute with the consumer reporting agency. Your filed statement will then be included or summarized in any subsequent consumer report containing the information in question.

For complete information regarding the Federal Consumer Credit Protection Law please refer to The Code of the Laws of the United States of America, Title 15, Chapter 41, Subchapter III, (15 U.S.C. §1681 et seq.).


AUTHORIZED REPRESENTATIVE

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY: AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

NAME AND ADDRESS OF INSURED: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY
POLICY/APPLICATION/BINDER NO.: TC025758
EFFECTIVE DATE OF NOTICE:
2/8/08 12:01:00 AM
(DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)
DATE OF MAILING: 12/17/07
NAME AND ADDRESS OF AGENT/BROKER:
The Walling Agency, Inc.
P.O. Box 160
Ehrhardt SC 29081

(Applicable item marked ☒)

Cancellation

- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that your insurance will cease at and from the hour and date mentioned above.
See the "Important Notices" section for other information that may apply.
- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that your insurance will cease at and from the hour and date mentioned above.
Reason(s) for Cancellation: _____

See the "Important Notices" section for other information that may apply.
- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the following physical damage coverage(s), now provided under the above policy, will cease at and from the hour and date mentioned above (the vehicles to which the cancelled physical damage coverage(s) will no longer have application are described in the "Important Notices" section):

Reason(s) for cancellation: _____

See the "Important Notices" section for other information that may apply.

Premium Adjustment

- ☐ Unearned premium will be refunded to you in accordance with South Carolina law and the terms of the policy.
☐ Enclosed is \$ _____, being the amount of return premium at pro rata for the unexpired term of this policy.
☐ A bill for the premium earned to the time of cancellation will be forwarded in due course.
☐ Cancellation of your policy can be avoided by paying the premium due (\$ _____) to us, your agent, or the licensed premium service company, which is _____ by the effective date of cancellation. If payment of the amount due is made by the effective date of cancellation mentioned above, insurance under your policy will continue, otherwise your insurance will terminate on the indicated effective date. If you make timely payment, please advise us, your agent, or the premium service company immediately to avoid disruption in coverage.
☐ Other: _____

Nonrenewal

- ☒ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that above mentioned policy will expire effective at and from the hour and date mentioned above and the policy will NOT be renewed.
Reason(s) for nonrenewal: Contact Your Agent - Updated Renewal Information Required

See the "Important Notices" section for other information that may apply.
- ☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the following physical damage coverage(s) now provided under the above mentioned policy, which will expire effective at and from the hour and date mentioned above, will not be renewed, however, the expiring policy, exclusive of the in this notice noted physical damage coverage(s), will be renewed (the vehicles to which the nonrenewed physical damage coverage(s) will no longer have application are described in the "Important Notices" section):

Reason(s) for nonrenewal: _____

Important Notices

- ☒ Director Review—IMPORTANT NOTICE: Within fifteen days of receiving this notice, you or your attorney may request in writing that the Director of Insurance review this action to determine whether the insurer has complied with South Carolina laws in cancelling or nonrenewing your policy. If this insurer has failed to comply with the cancellation or nonrenewal laws, the Director may require that your policy be reinstated. However, the Director is prohibited from making underwriting judgments. If this insurer has complied with the cancellation or nonrenewal laws, the Director does not have the authority to overturn this action.

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY
AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/8/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/07	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

NAME AND ADDRESS OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

Important
Notices
continued

Additional Information Regarding the Reason(s) for Cancellation/Nonrenewal: You are hereby notified in accordance with the law that, upon our receipt of a written request from you, the insured, within 90 business days from the date of the mailing of this notice, you will be provided with the following information in writing if it was not provided above: the reason(s) for the cancellation/nonrenewal, the specific items of information that support the reason(s) given for this decision, and/or the identity of the source of that information. Please send your written request to:

AequiCap Program Administrators, Inc. Attn: Underwriting Dept. 3000 West Cypress Creek Rd. Fort Lauderdale FL 33309

(Name and address of the person or department to contact for additional information)

- ☒ Automobile Replacement Insurance: You may be eligible to purchase other insurance coverage through your existing agent, another insurer, or through the Associated Auto Insurers Plan. For more information regarding automobile insurance shopping and availability you may obtain an automobile insurance buyer's guide by contacting the South Carolina Insurance Department, P.O. Box 100105, Columbia, South Carolina 29202-3105, Telephone (803) 737-6180 or (800) 768-3467.
- ☐ Description of vehicle(s) to which the above specified physical damage coverage(s) will no longer have application: _____
- ☐ Consumer Report: In compliance with the Fair Credit Reporting Act (Public Law 91-508) and the Consumer Credit Reform Act of 1996, you are hereby informed that the action taken above is being taken wholly or partly because of information contained in a consumer report from the following consumer reporting agency: (Name) _____ (Phone Number) _____
(Address) _____

Please see additional information for a disclosure of your rights under this federal law.

Additional Information regarding your rights under the Consumer Credit Reform Act

Pursuant to the Consumer Credit Reform Act of 1996, effective September 30, 1997, you are informed that:

The consumer reporting agency identified on this form did not make any decisions regarding the stated insurance policy. Therefore, the consumer reporting agency would not be able to provide you with the specific reasons why the insurance company is taking the present action.

You have the right to obtain within 60 days of the receipt of this notice a free copy of your consumer report from the consumer reporting agency which has been identified on this form.

You have the right to dispute inaccurate information by contacting the consumer reporting agency directly. Once you have directly notified the consumer reporting agency of your dispute, the agency must, within a reasonable period of time reinvestigate and record the current status of the disputed information. If after reinvestigation, such information is found to be inaccurate or unverifiable, such information must be promptly deleted from your records. If the reinvestigation does not resolve the dispute, you may file a brief statement setting forth the nature of the dispute with the consumer reporting agency. Your filed statement will then be included or summarized in any subsequent consumer report containing the information in question.

For complete information regarding the Federal Consumer Credit Protection Law please refer to The Code of the Laws of the United States of America, Title 15, Chapter 41, Subchapter III, (15 U.S.C. §1681 et seq.).



AUTHORIZED REPRESENTATIVE

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY
Aequicap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/07	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

NAME AND ADDRESS OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

(Applicable item marked ☒)

Cancellation

☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that your insurance will cease at and from the hour and date mentioned above.
See the "Important Notices" section for other information that may apply.

☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that your insurance will cease at and from the hour and date mentioned above.
Reason(s) for Cancellation: _____

See the "Important Notices" section for other information that may apply.

☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the following physical damage coverage(s), now provided under the above policy, will cease at and from the hour and date mentioned above (the vehicles to which the cancelled physical damage coverage(s) will no longer have application are described in the "Important Notices" section):

Reason(s) for cancellation: _____

See the "Important Notices" section for other information that may apply.

Premium Adjustment

☐ Unearned premium will be refunded to you in accordance with South Carolina law and the terms of the policy.

☐ Enclosed is \$ _____, being the amount of return premium at pro rata for the unexpired term of this policy.

☐ A bill for the premium earned to the time of cancellation will be forwarded in due course.

☐ Cancellation of your policy can be avoided by paying the premium due (\$ _____) to us, your agent, or the licensed premium service company, which is _____, by the effective date of cancellation. If payment of the amount due is made by the effective date of cancellation mentioned above, insurance under your policy will continue, otherwise your insurance will terminate on the indicated effective date. If you make timely payment, please advise us, your agent, or the premium service company immediately to avoid disruption in coverage.

☐ Other: _____

Nonrenewal

☒ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that above mentioned policy will expire effective at and from the hour and date mentioned above and the policy will NOT be renewed.
Reason(s) for nonrenewal: Contact Your Agent - Updated Renewal Information Required

See the "Important Notices" section for other information that may apply.

☐ You are hereby notified in accordance with the terms and conditions of the above mentioned policy, and in accordance with law, that the following physical damage coverage(s) now provided under the above mentioned policy, which will expire effective at and from the hour and date mentioned above, will not be renewed, however, the expiring policy, exclusive of the in this notice noted physical damage coverage(s), will be renewed (the vehicles to which the nonrenewed physical damage coverage(s) will no longer have application are described in the "Important Notices" section):

Reason(s) for nonrenewal: _____

Important Notices

☒ Director Review—IMPORTANT NOTICE: Within fifteen days of receiving this notice, you or your attorney may request in writing that the Director of Insurance review this action to determine whether the insurer has complied with South Carolina laws in cancelling or nonrenewing your policy. If this insurer has failed to comply with the cancellation or nonrenewal laws, the Director may require that your policy be reinstated. However, the Director is prohibited from making underwriting judgments. If this insurer has complied with the cancellation or nonrenewal laws, the Director does not have the authority to overturn this action.

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY
AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION NUMBER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/07	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

NAME AND ADDRESS OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

Important
Notices
cont'd

Additional Information Regarding the Reason(s) for Cancellation/Nonrenewal: You are hereby notified in accordance with the law that, upon our receipt of a written request from you, the insured, within 90 business days from the date of the mailing of this notice, you will be provided with the following information in writing if it was not provided above: the reason(s) for the cancellation/nonrenewal, the specific items of information that support the reason(s) given for this decision, and/or the identity of the source of that information. Please send your written request to:

AequiCap Program Administrators, Inc. Attn: Underwriting Dept. 3000 West Cypress Creek Rd. Fort Lauderdale FL 33309

(Name and address of the person or department to contact for additional information)

☒ **Automobile Replacement Insurance:** You may be eligible to purchase other insurance coverage through your existing agent, another insurer, or through the Associated Auto Insurers Plan. For more information regarding automobile insurance shopping and availability you may obtain an automobile insurance buyer's guide by contacting the South Carolina Insurance Department, P.O. Box 100105, Columbia, South Carolina 29202-3105, Telephone (803) 737-6180 or (800) 768-3467.

☐ **Description of vehicle(s) to which the above specified physical damage coverage(s) will no longer have application:** _____

☐ **Consumer Report:** In compliance with the Fair Credit Reporting Act (Public Law 91-508) and the Consumer Credit Reform Act of 1996, you are hereby informed that the action taken above is being taken wholly or partly because of information contained in a consumer report from the following consumer reporting agency: (Name) _____ (Phone Number) _____
(Address) _____

Please see additional information for a disclosure of your rights under this federal law.

Additional Information regarding your rights under the Consumer Credit Reform Act

Pursuant to the Consumer Credit Reform Act of 1996, effective September 30, 1997, you are informed that:

The consumer reporting agency identified on this form did not make any decisions regarding the stated insurance policy. Therefore, the consumer reporting agency would not be able to provide you with the specific reasons why the insurance company is taking the present action.

You have the right to obtain within 60 days of the receipt of this notice a free copy of your consumer report from the consumer reporting agency which has been identified on this form.

You have the right to dispute inaccurate information by contacting the consumer reporting agency directly. Once you have directly notified the consumer reporting agency of your dispute, the agency must, within a reasonable period of time reinvestigate and record the current status of the disputed information. If after reinvestigation, such information is found to be inaccurate or unverifiable, such information must be promptly deleted from your records. If the reinvestigation does not resolve the dispute, you may file a brief statement setting forth the nature of the dispute with the consumer reporting agency. Your filed statement will then be included or summarized in any subsequent consumer report containing the information in question.

For complete information regarding the Federal Consumer Credit Protection Law please refer to The Code of the Laws of the United States of America, Title 15, Chapter 41, Subchapter III, (15 U.S.C. §1681 et seq.).



AUTHORIZED REPRESENTATIVE

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND . AequiCap Insurance Company
ADDRESS 3000 West Cypress Creek Road
OF INSURANCE Fort Lauderdale FL 33309
COMPANY

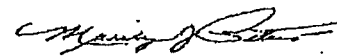
KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.:	TC025758
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING:	12/17/07
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

NAME AND . TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
ADDRESS 871 HAMPTON DRIVE
OF INSURED Orangeburg SC 29118

REASON(S): Contact Your Agent - Updated Renewal Information Required

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.



AUTHORIZED REPRESENTATIVE

AGENT:

NAME AND . The Walling Agency, Inc.
ADDRESS OF P.O. Box 160
ADDITIONAL P.O. BOX 9088
INTEREST Ehrhardt SC 29081

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS
OF INSURANCE COMPANY
AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

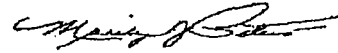
NAME AND ADDRESS
OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.:	TC025758
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING:	12/17/07
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

REASON(S): Contact Your Agent - Updated Renewal Information Required

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.



AUTHORIZED REPRESENTATIVE

FINANCE COMPANY:

NAME AND ADDRESS
OF ADDITIONAL
INTEREST
South Carolina Premium Financing, Inc.
P. O. BOX 880
Walterboro SC 29488

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY: AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

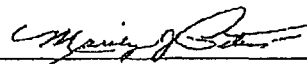
NAME AND ADDRESS OF INSURED: TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/8/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/2007	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 180 Ehrhardt SC 29081	

(Specific information concerning the cancellation or nonrenewal has been given to the insured.)

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.


AUTHORIZED REPRESENTATIVE

CERTIFICATE HOLDER:

NAME AND ADDRESS OF ADDITIONAL INTEREST: DARBY LOGGING
926 WOOD HAVEN ST.
North SC 29112

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND ADDRESS OF INSURANCE COMPANY
AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

NAME AND ADDRESS OF INSURED
TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/2007	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

(Specific information concerning the cancellation
or nonrenewal has been given to the insured.)

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.


AUTHORIZED REPRESENTATIVE

CERTIFICATE HOLDER:

NAME AND ADDRESS OF ADDITIONAL INTEREST
MIDLANDS LOGGING
314 WESLEY GROVE ROAD
Cordova SC 29039

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND .
ADDRESS Aequis Insurance Company
OF INSURANCE 3000 West Cypress Creek Road
COMPANY Fort Lauderdale FL 33309

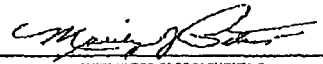
NAME AND . TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
ADDRESS 871 HAMPTON DRIVE
OF INSURED Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/2007	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

(Specific information concerning the cancellation
or nonrenewal has been given to the Insured.)

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.



AUTHORIZED REPRESENTATIVE

NAME AND .
ADDRESS OF YOUNG BROS. LOGGING INC
ADDITIONAL 712 HUGER DRIVE
INTEREST Georgetown SC 29440

CERTIFICATE HOLDER:

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND
ADDRESS
OF INSURANCE
COMPANY AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

NAME AND
ADDRESS
OF INSURED TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.:	TC025758
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING:	12/17/2007
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 160 Ehrhardt SC 29081	

(Specific information concerning the cancellation
or nonrenewal has been given to the insured.)

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.


AUTHORIZED REPRESENTATIVE

CERTIFICATE HOLDER:

NAME AND
ADDRESS OF
ADDITIONAL
INTEREST TRACY'S LOGGING LLC
820 N EDISTO ROAD
Leesville SC 29070

NOTICE OF CANCELLATION OR NONRENEWAL OF AUTOMOBILE INSURANCE
(South Carolina)

NAME AND
ADDRESS
OF INSURANCE
COMPANY AequiCap Insurance Company
3000 West Cypress Creek Road
Fort Lauderdale FL 33309

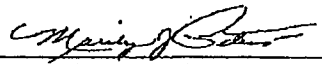
NAME AND
ADDRESS
OF INSURED TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
871 HAMPTON DRIVE
Orangeburg SC 29118

KIND OF POLICY: COMMERCIAL AUTO LIABILITY	
POLICY/APPLICATION/BINDER NO.: TC025758	
EFFECTIVE DATE OF NOTICE: 2/9/08 12:01:00 AM (DATE) (HOUR-STANDARD TIME AT THE ADDRESS OF THE INSURED)	
DATE OF MAILING: 12/17/2007	
NAME AND ADDRESS OF AGENT/BROKER: The Walling Agency, Inc. P.O. Box 180 Ehrhardt SC 29081	

(Specific information concerning the cancellation
or nonrenewal has been given to the insured.)

TO THE ADDITIONAL INTEREST:

You are notified that the above policy is cancelled or nonrenewed effective on and after the hour and date mentioned above. This notice is being provided to you as you have been provided with a certificate of insurance on the above policy. Any interest you may have in the above policy is terminated.


AUTHORIZED REPRESENTATIVE

NAME AND
ADDRESS OF
ADDITIONAL
INTEREST CERTIFICATE HOLDER:
FIELDS LAND TIMBER LLC
P O BOX 1243
Summerville SC 29483

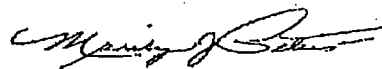
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change 2
Number

POLICY NUMBER TC025758	POLICY CHANGES EFFECTIVE 06/01/2007 10:39 AM	COMPANY AequiCap Insurance Company																
NAMED INSURED TRAVIS D. SCOTT DBA: FISCAL TRANSPORT		AUTHORIZED REPRESENTATIVE AequiCap Program Administrators, Inc.																
COVERAGE PARTS AFFECTED CORRECT VIN #																		
CHANGES For a Total of: \$0.00 Liability Deductible: \$0 Revised Annual Premium of: \$4,809.81 <table><thead><tr><th>Type</th><th>Veh#</th><th>Year</th><th>Make</th><th>Model</th><th>VIN</th><th>Annual Premium</th><th>Insured Premium</th></tr></thead><tbody><tr><td>CHANGE</td><td>3</td><td>1995</td><td>PETERBILT</td><td>TRACTOR</td><td>1XP5D69X8SD384388</td><td>\$3,001.00</td><td>\$0.00</td></tr></tbody></table>			Type	Veh#	Year	Make	Model	VIN	Annual Premium	Insured Premium	CHANGE	3	1995	PETERBILT	TRACTOR	1XP5D69X8SD384388	\$3,001.00	\$0.00
Type	Veh#	Year	Make	Model	VIN	Annual Premium	Insured Premium											
CHANGE	3	1995	PETERBILT	TRACTOR	1XP5D69X8SD384388	\$3,001.00	\$0.00											

Total \$3,001.00 \$0.00
P/R % 0.00%



Authorized Representative Signature

Processed Date: 6/8/2007 svf SC

IL 12 01 11 85

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Page 1 of 1

The Walling Agency, Inc.
P.O. Box 160
Ehrhardt SC 29081-

4 17087186

662

Aequicap 000075

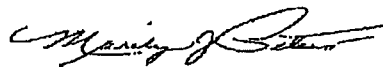
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change 1
Number

POLICY NUMBER TC025758	POLICY CHANGES EFFECTIVE 06/01/2007 10:39 AM	COMPANY AequiCap Insurance Company
NAMED INSURED TRAVIS D. SCOTT DBA: FISCAL TRANSPORT		AUTHORIZED REPRESENTATIVE AequiCap Program Administrators, Inc.
COVERAGE PARTS AFFECTED		
CHANGES		
For a Total of: \$2,176.71 Revised Annual Premium of: \$4,809.81		
Liability Deductible: \$0		
Type	Veh# Year Make Model VIN	Annual Premium Insured Premium
ADD	3 1995 PETERBILT TRACTOR 1XP5D69X3SD384388	\$3,001.00 \$2,079.69
ADD	4 0 ANY ATTACHED TRAILER	\$140.00 \$97.02

Total \$3,141.00 \$2,176.71
P/R % 68.30%



Authorized Representative Signature

Processed Date: 6/7/2007 svf SC

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Page 1 of 1

The Walling Agency, Inc.
P.O. Box 160
Ehrhardt SC 29081-

3 18321188

663

Aequicap 000076

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change
Number

POLICY NUMBER TC025758	POLICY CHANGES EFFECTIVE 2/9/2007	COMPANY
NAMED INSURED TRAVIS D. SCOTT DBA: FISCAL TRANSPORT		AUTHORIZED REPRESENTATIVE
COVERAGE PARTS AFFECTED		
CHANGES It is hereby agreed and understood that the following driver was an unreported driver, and is now an excluded driver under this policy: EDDIE REESE BEST		



Authorized Representative Signature

Processed Date: 1/15/2008 will SC

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Page 1 of 1

The Walling Agency, Inc.
P.O. Box 160
Ehrhardt SC 29081

664

Aequicap 000077

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

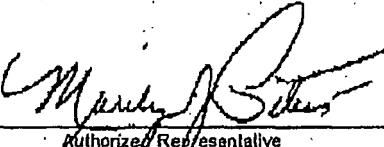
AUTOMOBILE

**NAMED DRIVER EXCLUSION ENDORSEMENT
(SOUTH CAROLINA)
(Voiding Automobile Insurance While
Named Person is Operating Car)**

This endorsement, effective 02/09/2007 11:48 AM , forms a part of policy No.TC025758
(12:01 A.M., standard time)

issued to TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

by AequiCap Insurance Company


Authorized Representative

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under coverages _____
For Liability, Uninsured Motorists and/or Underinsured Motorists

the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

EDDIE REESE BEST

(Name of Person to be Excluded)

In all other respects this policy remains unchanged.

The Named Insured accepts this endorsement as witness his signature signifying his agreement.

(Named Insured)

As the Named Person in the above endorsement, I am aware of, and agree, to the above exclusion concerning me. I have surrendered my driver's license to the State Highway Department, () or I have obtained a policy of insurance (or other security) () to enable me to drive vehicles. (check one)

(Excluded Person or Guardian if a Minor)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change
Number

POLICY NUMBER TC025758	POLICY CHANGES EFFECTIVE 5/3/2007	COMPANY
NAMED INSURED TRAVIS D. SCOTT, DBA: FISCAL TRANSPORT		AUTHORIZED REPRESENTATIVE
COVERAGE PARTS AFFECTED		
CHANGES Driver Exclusion: We will not pay for any loss, damage, or liability or for an accident, from this policy change effective date to expiration date, caused while an insured vehicle is being driven or operated by the following named person(s) ALLEN KINARD		



Authorized Representative Signature

Processed Date: 5/4/2007 will SC

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Page 1 of 1

The Walling Agency, Inc.
P.O. Box 160
Ehrhardt SC 29081

666

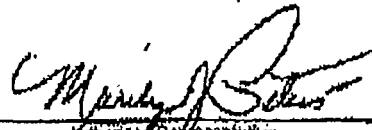
Aequicap 000079

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

AUTOMOBILE

**NAMED DRIVER EXCLUSION ENDORSEMENT
(SOUTH CAROLINA)
(Voiding Automobile Insurance While
Named Person Is Operating Car)**

This endorsement, effective 05/03/2007 2:31 PM, forms a part of policy No. TC025768
(12:01 A.M., standard time)
issued to TRAVIS D. SCOTT DBA: FISCAL TRANSPORT
by Aequicap Insurance Company


Authorized Representative

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under coverages
For Liability, Uninsured Motorists and/or Underinsured Motorists

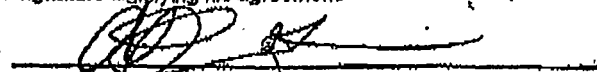
the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

ALLEN KINARD

(Name of Person to be Excluded)

In all other respects this policy remains unchanged.

The Named Insured accepts this endorsement as witness his signature signifying his agreement


(Named Insured)

As the Named Person in the above endorsement, I am aware of, and agree, to the above exclusion concerning me. I have surrendered my driver's license to the State Highway Department, () or I have obtained a policy of insurance (or other security) () to enable me to drive vehicles. (check one)

(Excluded Person or Guardian if a Minor)

GU 8835 (10-74)

Page 1 of 1

Processed Date: 5/4/07

will

11645185

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

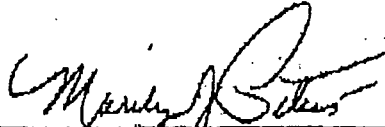
AUTOMOBILE

**NAMED DRIVER EXCLUSION ENDORSEMENT
(SOUTH CAROLINA)
(Voiding Automobile Insurance While
Named Person Is Operating Car)**

This endorsement, effective 05/03/2007 2:31 PM, forms a part of policy No. TC025758
(12:01 A.M., standard time)

Issued to TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

by AequiCap Insurance Company



Authorized Representative

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under coverages _____

For Liability, Uninsured Motorists and/or Underinsured Motorists

the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

ALLEN KINARD

(Name of Person to be Excluded)

In all other respects this policy remains unchanged.

The Named Insured accepts this endorsement as witness his signature signifying his agreement.

(Named Insured)

As the Named Person in the above endorsement, I am aware of, and agree, to the above exclusion concerning me. I have surrendered my driver's license to the State Highway Department, () or I have obtained a policy of insurance (or other security) () to enable me to drive vehicles. (check one)

(Excluded Person or Guardian if a Minor)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change
Number

POLICY NUMBER TC025758	POLICY CHANGES EFFECTIVE 3/6/2007	COMPANY
NAMED INSURED TRAVIS D. SCOTT DBA: FISCAL TRANSPORT		AUTHORIZED REPRESENTATIVE
COVERAGE PARTS AFFECTED		
CHANGES Driver Exclusion: We will not pay for any loss, damage, or liability or for an accident, from this policy change effective date to expiration date, caused while an insured vehicle is being driven or operated by the following named person(s) WILLIE RAVENEL		



Authorized Representative Signature

Processed Date: 3/12/2007 wil SC

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Page 1 of 1

The Walling Agency, Inc.
P.O. Box 160
Ehrhardt SC 29081

669

Aequicap 000082

(The Attaching Clause need be completed only when this endorsement is issued subsequent to preparation of the policy.)

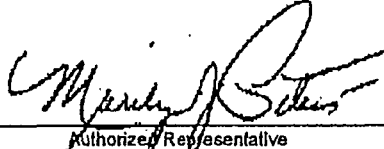
AUTOMOBILE

**NAMED DRIVER EXCLUSION ENDORSEMENT
(SOUTH CAROLINA)
(Voiding Automobile Insurance While
Named Person Is Operating Car)**

This endorsement, effective 03/06/2007 12:39 PM, forms a part of policy No. TC025758
(12:01 A.M., standard time)

Issued to TRAVIS D. SCOTT DBA: FISCAL TRANSPORT

by AequiCap Insurance Company



Authorized Representative

In consideration of the continuation of this policy in force by the Company at the rate applicable because of this endorsement, it is hereby agreed that with respect to such insurance as is afforded under coverages _____
For Liability, Uninsured Motorists and/or Underinsured Motorists

the Company shall not be liable for damages, losses or claims arising out of the operation or use of the automobile described in the policy or any other automobile to which the terms of the policy are extended, whether or not such operation or use was with the express or implied permission of its owner, while said automobile is being driven or operated by the following named person:

WILLIE RAVENEL

(Name of Person to be Excluded)

In all other respects this policy remains unchanged.

The Named Insured accepts this endorsement as witness his signature signifying his agreement.

(Named Insured)

As the Named Person in the above endorsement, I am aware of, and agree, to the above exclusion concerning me. I have surrendered my driver's license to the State Highway Department, () or I have obtained a policy of insurance (or other security) () to enable me to drive vehicles. (check one)

(Excluded Person or Guardian if a Minor)

AequiCap Program Administrators

LICENSEE NAME/ADDRESS

BEST, EDDIE REESE
328 MINGO ST
ORANGEBURG, SC 29116-3638

LICENSE NUMBER

DOB

SOC SEC

ORIG ISSUE DATE

ISSUED
06222007

EXPIRES
06262012

RESTRICTIONS

ENDORSEMENTS

CLASS/STATUS

CDL-A/NO DISQ

SEX

M

RAGE

HEIGHT/WEIGHT

PRIOR STATE

N/A

PRIOR DL

N/A

TYPE VIOL/SUSP

CONVIRIN

HISTORY ENTRY

VIOLC

08292007

09132007

SPEEDING 10-MPH OR LESS

RECD: 10/19/2007 POST: 11/06/2007

CURR PTS: 2

TICKET#: 36808DZ LOC: SC

COM VEH: Y

COURT-TYPE: MAG

ACD CODE: S51

SPEEDING 10-MPH OR LESS

RECD: 08/29/2007 POST: 08/31/2007

CURR PTS: 2

TICKET#: 47591DW LOC: SC

COURT-TYPE: MUN

ACD CODE: S51

SPEEDING MORE THAN 10 MPH BUT LT 25

MPH

ACTUAL SPEED: 76 POSTED SPEED: 55

RECD: 07/10/2007 POST: 07/19/2007

CURR PTS: 4

TICKET#: Z417368 LOC: SC

COM VEH: Y

COURT-TYPE: MAG

ACD CODE: S92

SPEEDING 10-MPH OR LESS

RECD: 09/13/2005 POST: 09/13/2005

CURR PTS: 0

TICKET#: C163634 LOC: SC

COM VEH: Y

COURT-TYPE: MAG

ACD CODE: S51

DRIVER'S LICENSE SURRENDERED

JURISDICTION: GA

REASON: SC LICENSE RETURNED FROM OOS

MESSAGES

REQUESTED AS: EDDIE BEST DOB: ~~000000~~ LICENSE: ~~000000~~

CDL STATUS: NO DISQUALIFICATION

CDL CLASS: A DESC: CDL COMBO VEHICLE > 26K

CDL ISSUED: 06/22/2007

CDL EXPIRES: 06/26/2012

FIRST ISS: 09/28/1992

CDL ENDMT: N DESC: TANK VEHICLE

CITIZEN: Y

PRIOR CDL CLASS A RENEWAL FIRST ISS: 09/28/1992

ISSUED: 06/27/2002 EXPIRES: 06/26/2007

PRIOR CDL CLASS A REISSUE FIRST ISS: 09/28/1992

ISSUED: 06/27/2002 EXPIRES: 06/26/2007

PRIOR CDL CLASS A CHANGE STATE OF RECORD FIRST ISS: 09/28/1992

ISSUED: 06/27/2002 EXPIRES: 06/26/2007

PRIOR DL CLASS F RETURNED FIRST ISS: 06/20/1990

ISSUED: 06/20/1990 EXPIRES: 06/26/1994

PREV ADDR: 06/22/2007 1336 REAL CIR HARTSVILLE, SC 29550-5944

TOTAL CURRENT POINTS: 8

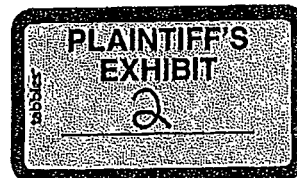
CREDIT POINTS: 4

ADJUSTED POINTS: 4

GA LIC 052458573 RETURNED TO GA ON 06/22/2007

AMOUNT OF HISTORY: 3 YEARS

DISCLAIMER:





AequiCap

INSURANCE COMPANY

COMMERCIAL POLICY TRUCKER APPLICATION

3000 WEST CYPRESS CREEK ROAD
FORT LAUDERDALE, FL 33309
800.275.2800



FRAUD STATEMENTSFLORIDA

Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

GEORGIA

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

OKLAHOMA

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony. Any person who knowingly presents false information in an application for insurance or a viatical settlement contract is guilty of a crime and may be subject to fines and confinement in prison.

SOUTH CAROLINA

It is to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the insurance company. Penalties may include imprisonment, fines or denial of insurance benefits

Signature [Signature]
Insured's Signature
Travis D. Scott - owner
Print Name and Title of Insured Signature Party

2/9/07
Date

Signature [Signature]
Witness Signature

2/9/07
Date

NOTIFICATION PROCEDURE OUTLINE

PLEASE DISCUSS THE FOLLOWING WITH YOUR INSURED

All claims are to be reported immediately, directly to the Insurance company.

The Insurance company has established a claim hot-line for this purpose.

1-800-275-1900

ALL ACCIDENTS OR CLAIMS MUST BE REPORTED IMMEDIATELY, REGARDLESS OF FAULT!

ALL units insured through the Insurance Company must be inspected. These inspections will be accomplished as follows:

Over 4 Power Units:

A formal inspection will be ordered by the Insurance Company

Exceptions:

a) 5 years old or newer vehicles require the signed Underwriting Representation form and color photo in lieu of the Insurance company inspection.

1 to 4 Power Units:

"Mechanics Inspection" forms may be utilized by the insured wherein a local mechanic may inspect each unit. The cost of these inspections will be borne by the insured and the inspection forms must be returned with color photos of each unit and a receipt for the cost of the inspection.

b) DOT Inspection which is not more than 12 months old and color photo is acceptable in lieu of insurance company inspection

**** A SATISFACTORY INSPECTION MUST BE ACCOMPLISHED ON EACH INSURED UNIT WITHIN 30 DAYS FROM BINDING. FAILURE TO COMPLY WITH THIS REQUIREMENT WILL CAUSE CANCELLATION OF THE BINDER.**

All vehicle changes must be reported to the Insurance Company to be effective prior to placing in service. NO AUTOMATIC COVERAGE IS AFFORDED UNDER THIS BINDER AND/OR POLICY FOR NEW, REPLACEMENT AND/OR TEMPORARY SUBSTITUTE VEHICLES.

All drivers submitted for approval to operate an insured auto under any policy of insurance with the Insurance Company are required to have a minimum of 2 years of driving history in a motor vehicle similar to the type of motor vehicle insured under this policy of insurance. All drivers must be reported to the Insurance Company and approved prior to the operation of any insured unit. A Motor Vehicle Report (MVR) will be ordered and reviewed and insured will be notified of the acceptability of additional drivers.

Please be advised that the insured's failure to comply with the aforementioned requirements concerning additional/replacement vehicles and additional drivers is a material change in risk and may result in policy cancellation and possible claim and/or coverage denial.

Insured: I have read and fully understand my obligation concerning immediate claim reporting, vehicle inspections, vehicle changes and additional drivers. I further understand that the producer signature who appears below is my agent and not the agent of the Insurance Company.

2/9/07

Date

Signature

Insured's Signature

Insured's Agent: I certify that I have discussed the insured's obligation with my client and that I also fully understand the procedures concerning claims reporting, vehicle inspections, vehicle changes and additional drivers.

2/9/07

Date

Signature

Insured's Agent Signature

IT IS SPECIFICALLY REPRESENTED THAT THE STATEMENTS IN THE APPLICATION ARE TRUE AND CORRECT. IT IS FURTHER UNDERSTOOD THAT THE REPRESENTATIONS IN THIS APPLICATION HAVE BEEN MADE TO THE INSURANCE COMPANY FOR THE PURPOSE OF INDUCING THE INSURANCE COMPANY TO ISSUE THE INSURANCE POLICY, AND THE INSURANCE COMPANY IS RELYING UPON THE TRUTHFULNESS OF THE STATEMENTS IN MAKING THE DECISION TO ACCEPT THIS RISK.

APPLICANT INFORMATION

NAME OF APPLICANT (AND "DBA") **TRAVIS D SCOTT DBA Fiscal Transport**

BUSINESS PHONE AND FAX NUMBER: **803 236 2392** E-MAIL ADDRESS: **N/A** ☒ INDIVIDUAL ☐ PARTNERSHIP

FAX: **N/A** ☐ CORPORATION ☐ OTHER (EXPLAIN)

IS THIS A NEW VENTURE? ☐ YES ☒ NO YEARS IN BUSINESS **NEW** IS GARAGE LOCATION INSIDE CITY LIMITS? IF YES, NAME OF CITY ☒ YES ☐ NO

MAILING ADDRESS **871 Hampton Drive** CITY **Orangeburg** STATE **SC** ZIP **29118**

PHYSICAL ADDRESS, if mailing address is postal box **same** CONTACT PERSON NAME AND PHONE NUMBER (FOR INSPECTIONS)

GARAGE ADDRESS, IF DIFFERENT **same** CITY STATE ZIP

BRIEF DESCRIPTION OF BUSINESS OPERATIONS **Haul logs for hire**

IS THIS YOUR PRIMARY BUSINESS? ☐ YES ☒ NO IF NO, EXPLAIN **OWNER works at Suzuki of Sumter HAS driver to drive tractor** HAVE YOU EVER FILED BANKRUPTCY? ☐ YES ☒ NO IF YES, WHEN PLEASE EXPLAIN:

DO YOU ENTER CANADA? ☐ YES ☒ NO IF YES, PLEASE EXPLAIN: DO YOU ENTER MEXICO? ☐ YES ☒ NO IF YES, PLEASE EXPLAIN:

WHAT COMPANY (IES) DO YOU HAUL FOR? (NAME, ADDRESS AND PHONE NO.) **DARBY LOGGING 926 Wood Haven St, North, SC, 29112**

COMMODITY	PERCENT	FROM (CITY AND STATE)	TO (CITY AND STATE)
LOGS	100 %	WOODS	Eastover, Bowman, Georgetown

COMMODITY	PERCENT	COMMODITY	PERCENT	COMMODITY	PERCENT	COMMODITY	PERCENT
LPG	%	OTHER PETROLEUM	%	NUCLEAR SPENT FUEL OR WASTE	%	LIQUOR	%
EXPLOSIVES	%	ACIDS AND CHEMICALS	%	OTHER VOLATILES, TOX. OR HAZARD	%	COSMETICS	%
CORROSIVES	%	ANHYDROUS AMMONIA	%	OTHER TARGET COMMODITIES	%	PHARMACEUTICALS	%
LIQUOR	%	TOBACCO	%	IF OTHER COMMODITY, PLEASE EXPLAIN:			

POLICY TERM	FROM	TO	NEW	RENEWAL
	2/9/07	2/9/08		

DO YOU HAVE A DRIVER RECRUITMENT PROGRAM? ☐ YES ☒ NO IF SO, EXPLAIN

DO YOU HAVE A DRIVER TRAINING PROGRAM? ☐ YES ☒ NO IF SO, EXPLAIN

DO YOU HAVE A SAFETY PROGRAM? ☒ YES ☐ NO IF SO, EXPLAIN

No formal program but tires, strapping, flagging, lights, etc will be checked

DO YOU HAVE A PREVENTATIVE AUTO MAINTENANCE PROGRAM? ☒ YES ☐ NO IF SO, EXPLAIN

Unit will be serviced weekly

PLEASE GIVE US A COMPLETE EXPLANATION OF YOUR ACCIDENT INVESTIGATION PROCEDURES. (ATTACH SEPARATE SHEET IF NEEDED)

Will submit all info. to Agent as quickly as possible

NAME OF WORKERS COMPENSATION INSURANCE CARRIER

N/A

AUTOMOBILE COVERAGES									
COMBINED SINGLE LIMIT BI & PD		SPLIT LIMITS BODILY INJURY EACH PERSON		EACH ACCIDENT		PROPERTY DAMAGE EACH ACCIDENT			
1,000,000								75,000 75,000	
Unit No.	Year	Make	VIN/Serial No.	(Ownership) Owned	Garaging Location	Gross Vehicle Weight	Radius Max. Miles	Date Purchased	
1	95	MAK	1M1AA13Y2SW056272		Orangeburg, SC	45,000 ±	150	11/31/07	
With any attached trailer									
OWNERSHIP TRACTOR & TRAILER: O - Owned LL - Long Lease OP - Owner Operator SL - Short Lease TRAILER ONLY: TI - Trailer Interchange									
LIMIT EACH TRAILER # OF TRAILERS EACH DAY EACH WEEK (CIRCLE ONE) SPECIFIED CAUSES OF LOSS IN THE EVENT OF A LOSS, TRAILER INTERCHANGE AGREEMENTS WILL BE REQUIRED									
COMPREHENSIVE/ \$500 \$1000 COLLISION DEDUCTIBLE									
ADDITIONAL INSURED - ATTACH A SEPARATE SHEET IF NECESSARY									
UNIT NAME			COMPLETE ADDRESS						
OPERATION INFORMATION									
PERCENTAGE OF TRIPS									
YEAR	UNDER 50 MILES		51-200 MILES		OVER 200 MILES		AVERAGE DISTANCE OF HAUL		
1995 MAK	%		100		%		90-120		
GROSS RECEIPTS/MILEAGE PAST 3 YEARS									
YEAR	GROSS RECEIPTS		MILEAGE		NO. POWER UNITS				
20									
20									
20									
HAVE YOU EVER CHANGED YOUR OPERATING NAME? YES ☒ NO ☐ DO YOU OPERATE UNDER ANY OTHER NAME? YES ☐ NO ☒									
DO YOU OPERATE AS A SUBSIDIARY OF ANOTHER COMPANY? YES ☐ NO ☒					DO YOU OWN OR MANAGE ANY OTHER TRANSPORTATION OPERATIONS THAT ARE NOT COVERED? YES ☐ NO ☒				
DO YOU LEASE YOUR AUTHORITY? YES ☐ NO ☒					DO YOU APPOINT AGENTS OR HIRE INDEPENDENT CONTRACTORS TO OPERATE ON YOUR BEHALF? YES ☐ NO ☒				
HAVE YOU PURCHASED, SOLD OR APPLIED FOR AUTHORITY OVER THE PAST 3 YEARS? YES ☐ NO ☒					HAVE YOU EVER LOST OR HAD AUTHORITY WITHDRAWN, OR HAVE YOU BEEN/ARE UNDER PROBATION BY ANY REGULATORY AUTHORITY (FHWA, PUC, ETC)? YES ☐ NO ☒				
IS EVIDENCE/CERTIFICATE (S) OF COVERAGE REQUIRED? YES ☐ NO ☒									
DO YOU TRAVEL OUT OF STATE? YES ☒ NO ☐ WHERE? Not yet - but probably may go into Georgia later									

[illegible]

The applicant hereby applies to the Insurance Company for a policy of Insurance as set forth in this application on the basis of statements contained herein. Applicant agrees that such policy shall be null and void if such information is materially false or misleading so that the Insurance Company would have either rejected the risk ab initio or have sought relief under any other applicable statute. Applicant understands that an inquiry may be made which will provide applicable information concerning character, general reputation, financial stability and other pertinent financial data, personal characteristics, mode of living or other background information the Insurance Company deems necessary in order to determine whether the Insurance Company will accept or reject applicant for coverage. Upon written request, additional information as to the nature and scope, if one made, will be provided.

THIS APPLICATION MUST BE SIGNED AND DATED BY BOTH APPLICANT AND THE INSURED'S AGENT. INSURED'S AGENT MAY NOT SIGN FOR BOTH.

("I understand this application is not a binder unless indicated as such on this form by the Insured's agent.")

Signed this 9th day of Feb, 2009 At The Walling Agency City Charleston State SC

SIGNATURE

[Signature]
NAMED INSURED (REPRESENTING ALL INSURED'S)

TRAVIS D. SCOTT - owner
(PRINT) NAME AND TITLE OF SIGNATURE PARTY

If a Partnership or Corporation, signatory must be empowered by Articles of Incorporation, etc. to bind to Insurance agreements. This application is in compliance with State Statutes, and is submitted in the best interest of the applicant or insured to whom a copy has been furnished and coverage is: () Bound Effective _____ (time) _____ (date)

To Expiration _____ (time) _____ (date) (☒) Not bound *

I agree that if my down payment or full payment check is returned by the bank because of nonsufficient funds, coverage will be null and void from inception.

CAUTION INSURED'S: Coverage cannot be bound except by AequiCap Program Administrators, Inc (APA). Ask to see binder confirmation From APA.

SIGNATURE

[Signature]
SIGNATURE OF INSURED'S AGENT

[Signature]
INSURED'S AGENT LICENSE NUMBER

Remarks PLEASE EXPLAIN ANY "YES" ANSWER TO THE ABOVE QUESTIONS.

AGENCY CONTACT INFORMATION

NAME OF AGENCY
The Walling Agency
ADDRESS
P.O. Box 160

CONTACT NAME
New Walling
CITY
CHARLOTTE

PHONE NO. 803 267 2534
STATE
SC

FAX NO. 803 267 2537
ZIP
29081

UNDERWRITING REPRESENTATION	
PLEASE DISCUSS THE FOLLOWING WITH YOUR INSURED	
As an Inducement for the Insurance Company to underwrite and cover this risk, the Insured affirmatively represents and warrants that all insured vehicles will, at inception and throughout the policy term, have the following equipment functioning, in safe working order, and in full compliance with any and all applicable federal, state municipal, or other statutes, ordinances, or other regulations, on any insured vehicle; that such vehicle, or vehicles will not be used, driven or otherwise operated until the required repairs or corrections have been completed.	
TIRES AND WHEELS	Including non-drive, non-steering and/or non-braking tires and wheels.
BRAKES	Including brake-related components and "Jake Brakes."
STEERING COMPONENTS	
WINDSHIELD	Including wipers
MIRRORS	
LIGHTS	Including required marker lamps and reflectors
ALARMS	BACK UP ALARMS on vehicles with a gross vehicle weight of over 10,000 lbs. and not a tractor trailer combination.
	LOW AIR WARNING DEVICE on vehicles with air brakes.
	POWER TAKE-OFF ALARM on vehicles with dump beds or tilt bodies.
SAFETY EQUIPMENT	Including fire extinguishers, and flares or reflectors
Further, All drivers submitted for approval to operate an insured auto under any policy of insurance with the Insurance Company are required to have a minimum of 2 years of driving history in a motor vehicle similar to the type of motor vehicle insured under this policy of insurance. All drivers must be reported to the Insurance Company and approved prior to the operation of any insured unit. A Motor Vehicle Report (MVR) will be ordered and reviewed and insured will be notified of the acceptability of additional drivers.	
Further, all vehicle changes must be reported to the Insurance Company to be effective prior to placing in service. NO AUTOMATIC COVERAGE IS AFFORDED UNDER THIS BINDER AND/OR POLICY FOR NEW, REPLACEMENT AND/OR TEMPORARY SUBSTITUTE VEHICLES.	
Finally, the Insured affirmatively represents and warrants that all insured vehicles will, at inception and throughout binder and/or the policy term:	
Immediately replace all recap tires on the front axle and use no recap tires on this axle.	
Not carry material commonly known as "hazardous waste" in or on any insured vehicle during the binder and/or policy period.	
I HAVE READ AND UNDERSTOOD THE FOREGOING REPRESENTATIONS, UNDERSTOOD AND ACKNOWLEDGE THAT THESE REPRESENTATIONS ARE BEING MADE IN ORDER TO INDUCE THE INSURANCE COMPANY TO UNDERWRITE THE RISK AND THAT THE INSURANCE COMPANY WOULD NOT HAVE UNDERWRITTEN THIS RISK BUT FOR RELIANCE UPON SAID REPRESENTATION, INCLUDING THIS STATEMENT.	
SIGNATURE	NAMED INSURED
PRINT NAME & TITLE OF SIGNATURE PARTY	DATE
TRAVIS D. SCOTT	2/9/07

STATE OF SOUTH CAROLINA)
)
COUNTY OF BAMBERG)

IN THE COURT OF COMMON PLEAS

AEQUICAP INSURANCE COMPANY,)
)
Plaintiff,)

C.A. No. 2008-CP-05-127

v.)

**STIPULATION OF
UNDISPUTED FACTS**

EDDIE REESE BEST; TRAVIS SCOTT d/b/a)
FISCAL TRANSPORT; F.I.S.C.A.L.)
TRANSPORTATION, LLC; ESTATE OF)
JAMES BUCHANNAN; and ROGER)
PELOTTE)
)
Defendants.)

The parties to this case hereby stipulate and agree that the following facts are undisputed:

1. Travis Scott operated Fiscal Transport, a company in the business of hauling timber.

2. AequiCap Insurance Company issued an automobile liability policy bearing number TC025758 to Fiscal Transport. A true and accurate copy of the policy is attached hereto as **EXHIBIT A** to the Complaint.

3. The policy provides liability coverage up to a combined single limit of \$1,000,000.00. However, the policy contains an endorsement requiring the named insured to submit potential drivers of covered autos to AequiCap for preapproval. The policy provides that these drivers will only be insureds under the policy after they have been submitted to AequiCap and approved for coverage. The exact language of the endorsement is:

NON-PREAPPROVED DRIVERS NOT COVERED

Further, the insured represents that it has submitted to AEQUICAP INSURANCE COMPANY all drivers of its vehicles as of the policy date, further it represents insured will pre-submit to AEQUICAP INSURANCE COMPANY, all drivers for approval prior to permitting said drivers to drive an insured vehicle, and will not



permit any person submitted and approved to drive the insured vehicle during the policy term.

4. The policy also provides as follows:

SECTION II – LIABILITY COVERAGE

PARAGRAPH A. “COVERAGE”, ITEM 1, “WHO IS AN INSURED” is replaced as follows:

The following are “insureds”:

- A. You for an covered “auto” only when the covered “auto” is driven by an approved driver described in paragraph “b” of this section II.A.1.
- B. Any driver authorized as a commercial truck driver while operating covered “auto” with your knowledge and consent under your operating authority. * No coverage will apply to any driver newly placed in service after the policy begins until you report that driver to us and we advise you in writing that he/she is acceptable to us and that he/she is covered under the policy. Coverage on any such driver newly placed in service will become effective as of the date and time we advise you he/she is acceptable and that they are covered by the policy and not before. Subject to the reporting methods outlined and agreed to in the notification procedure outline signed by the insured and the agent prior to coverage being effected under the policy.

*Only such drivers listed as of the date this policy begins, on the schedule in the original application signed by you, and not otherwise excluded are covered as of the date this policy begins.

5. The policy does not contain an MCS-90 or Form E or Form F filing.

6. Travis Scott submitted two drivers for approval, both of whom were disapproved due to their driving records.

7. On January 7, 2008, Eddie Best was driving a truck for Fiscal Transport, when he was involved in an accident on U.S. Highway 321 near Olar, South Carolina. At the time of the

accident, Eddie Best was operating within the scope and course of his employment by Fiscal Transport.

8. The accident resulted in the death of James Buchanan and injuries to Roger Pelotte.

9. Neither Travis Scott nor Fiscal Transport had submitted Eddie Best to AequiCap for preapproval prior to the accident.

10. If Mr. Best had been submitted to AequiCap for preapproval, AequiCap would have disapproved him for coverage due to his driving record.

11. Eddie Best was employed with Fiscal Transport for approximately one month before the accident.

12. During his time of employment with Fiscal Transport, Best hauled logs from the forests to mills located in the State of South Carolina.

13. Eddie Best never delivered logs outside the State of South Carolina.

14. Eddie Best never hauled any product other than logs while employed with Fiscal Transport.

15. On January 7, 2008, at the time the accident occurred, Best was hauling logs from a tract of land located in Lexington County, South Carolina to Collum Mill in Allendale, South Carolina.

16. On January 7, 2008, Best and Fiscal Transport were hauling logs under contract with Midlands Timber.

17. On January 7, 2008, the tract from which Best was hauling logs was a large tract of pine trees. This tract was several hundred acres.

18. Wayne Griffis is the former operator of Midland Timber.

19. Midland Timber was the logger for the tract of land from which Eddie Best was hauling on the date of the accident.

20. Midland Timber was logging this tract of land under contract with Mid Carolina Timber Company, the timber broker who had contracted with the landowner to harvest timber from the tract.

21. Midland Timber, in turn, contracted with Fiscal Transport for Fiscal to haul the timber which Midland had cut at this tract.

22. Timmy Costello was the loader for Midland Timber at this tract of land.

23. Mid Carolina Timber Company is a timber broker that buys standing timber from landowners and contracts with loggers to cut the timber and transport it to various mills.

24. In January of 2008, Mid Carolina was overseeing logging operations at a tract in Lexington County known as the MCM tract.

25. The MCM tract was 182 acres of timber, which would have resulted in over 200 loads of wood being hauled from the tract.

26. Mid Carolina contracted with Midland Timber to log the MCM tract.

27. A weekly production sheet produced and identified by Mike Watson shows that a Fiscal Transport truck was loaded with pine logs and left the MCM tract on January 7, 2008 at 10:30 a.m. destined for Collum Lumber Mill in Allendale, South Carolina.

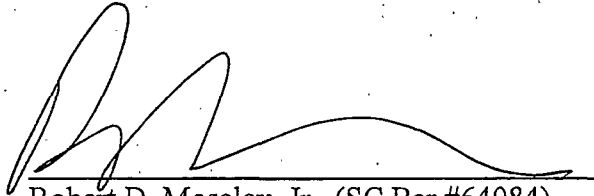
28. Timothy Costello was formerly employed by Midland Timber as a loader.

29. Mr. Costello reviewed the weekly production sheet, identified it as containing his handwriting, and agreed that it indicates he loaded a truck with pine logs on January 7, 2008 at about 10:30 a.m., which left the MCM tract headed for the Collum Lumber Mill in Allendale, South Carolina.

30. All depositions and exhibits which were identified by the deponent may be used at trial without the need for calling the witnesses at trial.

31. The parties are not prohibited from using live witnesses.

32. Aequicap acknowledged that the SC Financial Responsibility Act prohibits a complete denial of coverage. Aequicap has tendered liability coverage in the amount of \$75,000 to the two claimants, collectively.



Robert D. Moseley, Jr., (SC Bar #64084)

C. Frederic Marcinak (SC Bar # 73609)

Attorneys for Plaintiff

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Greenville, South Carolina 29602

864.242.6440/FAX 864.240.2475

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Fredric.marcinak@smithmoorelaw.com

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Counsel for the Estate of James Buchanan

Wilson, Luginbill & Kirkland, LLC

Post Office Box 1150

Bamberg, SC 29003

803.245.0076

C. Curt Thomas, Esq.

Counsel for Defendant Roger Pelotte

Brennan & Wasdan, LLP

Post Office Box 8047

Savannah, GA 31412

912.232.6700/FAX 912.232.0799

Dated: July 6, 2010

684

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Bamberg, SC 29003
803.245.0076

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Counsel for Defendant Roger Pelotte
Brennan & Wasdan, LLP
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Savannah, GA 31412
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Dated: July 6, 2010

685

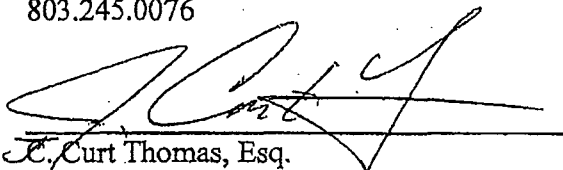
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Counsel for Defendant Roger Pelotte
Brennan & Wasdan, LLP
Post Office Box 8047
Savannah, GA 31412
912.232.6700/FAX 912.232.0799

Dated: July 6, 2010

Original Contract

2010 JUL -7 PM 12:09
STATE OF SOUTH CAROLINA

TIMBER SALES CONTRACT

COUNTY OF LEXINGTON

This Timber Sales Contract made and entered into this 21 day of February, 2007 by and between **MCM OF THE MIDLANDS TRUST**, hereinafter referred to as the Sellers, and **MID CAROLINA TIMBER CO., INC.**, hereinafter referred to as the Buyer.

WITNESSETH:

WHEREAS, the Sellers hereby agree to sell to the Buyer and the Buyer hereby agrees to purchase from the Sellers certain merchantable timber on a portion of their property in Lexington County, consisting of approximately 182 acres and designated on the sale map prepared by Sellers' agent, Dwight L. Stewart, Jr. & Associates, LLC dated June 22, 2006, attached hereto and made a part hereof. The sale area is divided into four blocks and is designated by pink or orange flagging, by two blue stripes of paint, or by natural boundaries as shown on the sale map. In all four blocks, trees to be left uncut and undamaged have been marked with a blue band of paint around the bole and on the base. The remaining trees inside the sale area are to be cut.

The consideration for the designated trees to be cut shall be:

ONE HUNDRED SEVENTY-SIX THOUSAND ONE HUNDRED ONE DOLLARS
(\$176,101.00)

Check will be made payable to Dwight L. Stewart, Jr. & Associates Timber Trust Account.

Buyer will have until February 28, 2008 to harvest the sale trees.

The following conditions will be entered into between the Buyer and the Seller.

1. Buyer will have the non-exclusive use of roads and access lanes of the Seller(s) and any additional access as shown on the attached Timber Map. Roads shall be kept open and passable at all times and shall be repaired to at least their original condition at the conclusion of any phase of the harvesting operation. Any road construction or clearing for timber harvest will be coordinated with Dwight L. Stewart, Jr. & Associates, LLC.

2. Buyer will be responsible for damage to property, including crops, of the Seller(s) or third persons, when such damage is caused by or arises from the Buyer's operations on the tract. Buyer will remove any oil cans, trash, or other garbage generated by its operation. Buyer shall leave no tops across any property lines or in streams, ditches, fields, firebreaks, woods trails, or access lanes. All decking and loading areas are to be located within the sale area. All decking areas must be approved prior to the beginning of any phase of the logging operation.

3. The Seller(s) reserve(s) the right to prohibit logging. Any time lost will be added to the term of the cutting contract on a day-for-day basis; not to exceed 365 days. The Buyer may reserve

this extension by requesting for such in writing to the Sellers' agent, along with the reason for the request. Buyer agrees to have made every effort to log the tract before requesting an extension.

4. Buyer shall be responsible for damage to timber outside the sale area or to unmarked trees within the sale area at the following rates: PINE SAWTIMBER - \$700.00 per thousand board feet (SCRIBNER); PINE PULPWOOD and C-N-S - \$150.00 per standard cord; HARDWOOD SAWTIMBER - \$450.00 per thousand board feet (Doyle); and HARDWOOD PULPWOOD - \$50.00 per standard cord.

5. Buyer is to notify Dwight L. Stewart, Jr. & Associates, LLC (803)435-2301 twenty-four hours prior to each commencement and each termination of any phase of the harvesting operation.

6. Neither Seller(s) nor Seller('s) agent, Dwight L. Stewart, Jr. & Associates, LLC shall be held liable for any personal injury or property damage suffered by the Buyer, Seller(s) or third persons, caused by or arising from any of the Buyer's operation. Buyer hereby indemnifies Seller(s) and Seller('s) agent and shall hold Seller(s) and Seller('s) agent harmless from any such liability.

7. Seller(s) shall have the right at all times to cut and cause to be cut and removed, all trees that are upon the subject tract, which are not conveyed by this Contract. After termination of this Contract, Seller(s) shall have the right to sell, cut or dispose of any and all trees remaining on said tract of land.

8. Seller(s) hereby warrants that the title to the aforementioned property as shown on the timber map is free and clear of any encumbrances or that they have obtained any mortgage releases necessary. Seller(s) hereby warrant that they are the lawful owners of the property with all rights to sell any and all of the real estate.

9. Buyer agrees to follow all current Best Management Practice guidelines for Harvesting timber.

10. Buyer represents and warrants that it has obtained and will maintain all local, state, and federal government licenses necessary in order to conduct its operations - including the handling, storage, treatment and disposal of all hazardous substances.

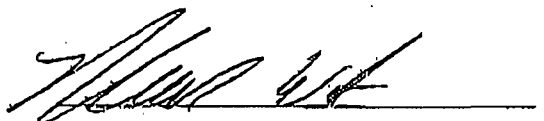
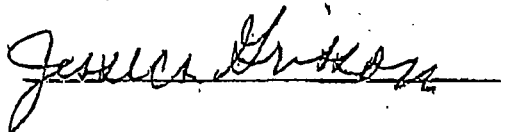
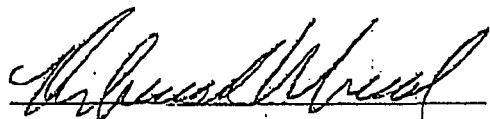
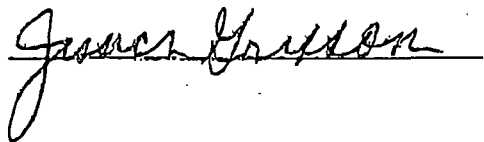
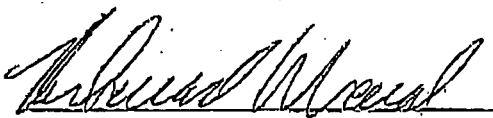
11. Buyer represents and warrants that it will operate the premises in compliance with any and all federal, state, and local laws, rules or ordinances for environmental protection, including those relating to the handling treatment, storage and disposal of hazardous substances, as well as the operation of storage tanks for petroleum products.

12. Buyer further represents and warrants that it shall not cause or permit to continue any any intentional or unintentional release of hazardous substances while working on the above described property. Buyer shall notify the Owner and the appropriate jurisdictional governmental agencies and take all reasonable and necessary actions to immediately remedy such release.

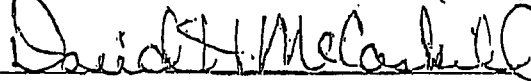
13. Buyer will post \$1,000.00 as performance bond with Seller's agent, Dwight L. Stewart, Jr. & Associates, LLC. At the conclusion of the harvesting operation, this amount will be returned to the Buyer. In the event of damages as outlined in the above stipulations, the Buyer will have the right to correct any damages or to forfeit that amount of the performance deposit to correct any damages. Buyer will be responsible for any damages that exceed the amount of the performance deposit.

14. ENTIRE AGREEMENT: This written Agreement contains the entire agreement between the parties and shall be for the benefit of and binding upon them and their heirs, successors and assigns. There are no representations or warranties from either party to the other except those stated herein.

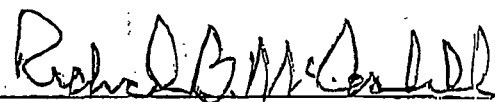
WITNESSES:



MCM OF THE MIDLANDS TRUST (SELLER)

By: 

Its: _____

Social Security # or Federal ID # ~~XXXXXXXXXX~~By: 

Its: _____

Social Security # or Federal ID# _____

MID CAROLINA TIMBER CO., INC. (BUYER)

By: 

Its: _____

Mid Carolina Timber Company Weekly Production Sheet

Tract Name _____

Logger

F15 Gal

[illegible]



MCM of the Midlands Trust Tract Lexington County, SC

1 inch = 660 feet
June 22, 2008



Dwight Stewart & Associates
www.dwightstewart.com

PLAINTIFF'S
EXHIBIT
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CERTIFICATE OF APPELLANT

The undersigned hereby certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

SMITH MOORE LEATHERWOOD, LLP

By: 

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Dated: October 24, 2012