



## DESCRIPTION OF COVERAGE

### Primary Loss Damage Waiver

Discover® Business Cardmembers and Discover® Business Miles Cardmembers can benefit from the security and safety offered through Primary Loss Damage Waiver. If you rent a vehicle for 31 consecutive days or less (or 45 days under certain circumstances described below) with your Card (as defined below), you may be eligible for benefits under this coverage. Primary Loss Damage Waiver is an insurance program, underwritten by Federal Insurance Company Policy #'s 9906-17-64 & 9906-17-62 (the "Policy").

#### DEFINITIONS:

**Account** means a Card account.

**Actual Cash Value** means the cost to repair or replace the Damage or Loss to the Rented Automobile at the time of Loss, less depreciation.

**Card** means the Discover Business Card or the Discover Business Miles Card, as applicable.

**Company** means the Federal Insurance Company.

**Damage or Loss** means direct and accidental loss to a Rented Automobile.

**Cardmember** means the holder of the Card whose name appears on the credit card.

**Insured** means Cardmembers and authorized users of the Account.

**Policyholder** means Discover Financial Services LLC, the entity responsible for the payment of premium.

**Rental Agency** means a commercial automobile rental company licensed under the laws of the applicable jurisdiction.

**Rented Automobile** means a four-wheeled private passenger type motor vehicle or a mini-van manufactured and designed to transport a maximum of seven passengers and used exclusively to carry passengers. A Rented Automobile must be designed for travel on public roads and rented from a licensed Rental Agency.

For personal property coverage:

**Actual Cash Value** means the cost to replace the lost or damaged personal property at the time of Loss, less depreciation.

**Rental Period** means the period which begins with the effective date of the rental agreement signed by the Insured and ends on the expiration date of that rental agreement.

#### TO GET COVERAGE:

- The Damage or Loss reimbursement is provided to you, as an Insured, automatically when the entire rental fee for the Rented Automobile and the personal property coverage is charged or debited to your Account. It is not necessary for you to notify the Company at the time the rental fee is charged or debited to your Account.
- You must decline the Loss/Damage Waiver offered by the vehicle Rental Agency.
- You must rent the vehicle in your own name and sign the vehicle rental agreement/contract.
- The coverage period must not exceed 31 consecutive days, or 45 consecutive days if the Insured is an employee of an organization which has provided a Card to the Insured for business use.

#### THE KIND OF COVERAGE YOU RECEIVE:

For Primary Loss Damage Waiver coverage:

In consideration of the premium paid by the Policyholder as required, and subject to all the terms of the Policy, the Company agrees to reimburse on an Actual Cash Value basis either the Insured or the Rental Agency for repair or replacement of the Rented Automobile as a result of Damage or Loss to the Rented Automobile. The Company's liability will be for a maximum reimbursement of \$50,000. In no event will the Company be liable beyond the amounts actually paid by the Insured or the Rental Agency.

- If your or an Insured's primary vehicle insurance or other coverage has made payments for a covered Loss, Primary Loss Damage Waiver will cover your deductible and any other eligible amounts not covered by other insurance.
- This coverage is not all-inclusive, which means it does not cover such things as personal injury or personal liability. It does not cover you for any damages to other vehicles or property. It does not cover you for any injury to any party.



For Personal Property Coverage:

In consideration of the premium paid by the Policyholder as required, and subject to all the terms of the Policy, the Company agrees to reimburse the Insured for amounts actually paid on an Actual Cash Value basis for direct physical Loss or Damage to the personal property of the Insured while in a Rented Automobile during the Rental Period. This coverage pays up to \$1,000 per Insured of which no more than \$250 will be paid for jewelry & fur.

The amount of insurance is payable on an excess basis over and above any amount due from any other valid or collectible insurance or any other form of reimbursement payable by those responsible for the Loss.

**WHO IS COVERED:**

- Discover Business Cardmembers.
- Discover Business Miles Cardmembers.

**EXCLUDED RENTAL VEHICLES:**

Off-road, antique or limited edition motor vehicles; trucks, recreational vehicles, campers, pickup trucks, and mini-buses; limited edition motor vehicles are high value, exotic, high performance or collector type; high value motor vehicles are motor vehicles whose replacement value exceeds \$50,000; antique motor vehicles are defined as any vehicle over 25 years old, or any vehicle which has not been manufactured for 10 years or more.

**WHERE YOU ARE COVERED:**

- Coverage applies to vehicles rented in the United States and Canada only.
- Coverage is not available where prohibited by law.

**WHAT IS NOT COVERED:**

Coverage does not apply to Loss resulting from the following:

- \* Any dishonest, fraudulent or criminal act of the Insured.
- \* Forgery by the Insured.
- \* Loss due to war or confiscation by authorities.
- \* Loss due to nuclear reaction or radioactive contamination.
- \* The Insured being intoxicated, as defined by the laws of the jurisdiction where the Loss occurred, or under the influence of any narcotic unless prescribed by a physician.
- \* Use of the Rented Automobile to carry passengers and property for hire.
- \* Use of the Rented Automobile by a person other than the one authorized to operate the Rented Automobile by the terms of the Rental Agreement.
- \* Loss of use of the Rented Automobile.

**Primary Loss Damage Waiver Specific Exclusions**

Coverage does not apply to Loss(es) resulting from the following:

- \* Intentional damage to the Rented Automobile by the Insured.
- \* Damage which is due and confined to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such damage results from a theft covered by the insurance policy.
- \* Damage to tires unless damaged by fire, malicious mischief or vandalism, or stolen or unless the loss be coincident with a covered Loss.
- \* Use of the Rented Automobile in tests, races or contests.
- \* The Rented Automobile being operated or located in any territory prohibited by the terms of the rental agreement.



Personal Property Specific Exclusions:

Coverage does not apply to Loss(es) resulting from the following:

- \*Theft from unattended vehicles unless at the time of such theft or attempted theft, the windows, doors and trunk of the vehicle be securely closed and locked and such theft be the result of forcible entry evidenced by visible marks.
- \*Breakage of glass, unless coincident with other loss or damage covered by the Policy.
- \*Insects, vermin, wear and tear, mechanical breakdown, inherent vice, latent defect or gradual deterioration, but if fire or explosion ensues, then the direct Loss or Damage caused by such ensuing fire or explosion is covered.
- \*Dampness of atmosphere, freezing or extremes of temperature.
- \*Electrical injury or disturbance to any electrical appliances or devices or wiring when hooked into the Rented Automobile, but if fire or explosion ensues, then the direct Loss or Damage caused by such ensuing fire or explosion is covered.
- \*Samples or stock used in the business of the Insured, animals, sporting equipment, cameras and accessory equipment, eye glasses and contact lenses, prosthetic devices, dentures, tickets, valuable papers and documents, securities and money.

**FOR INSURED WHO ARE NEW YORK STATE RESIDENTS:**

To the extent that this plan provides insurance against damage to a rented motor vehicle, the following terms and conditions apply: (1) the period of insurance coverage will not exceed 31 consecutive days, or 45 consecutive days if the Insured is an employee of an organization which has provided the Card to the Insured for business use; and (2) the insurance provided by this plan will be excess over any other valid and collectible insurance covering the Rented Automobile. However, the insurance provided under this plan may be primary if specifically provided for under the terms of this plan and if the following criteria is met: (a) the Rented Automobile is rented for use outside the United States, its territories and possessions; (b) the Insured is an employee of an organization which has provided the Card to the Insured for business use; and (c) the Rented Automobile is rented without a driver.

**HOW TO FILE A CLAIM UNDER PRIMARY LOSS DAMAGE WAIVER/ PERSONAL PROPERTY COVERAGE:**

In the event of a claim, written or verbal notice must be provided as soon as reasonably possible.

**IF YOU HAVE ANY CLAIM RELATED QUESTIONS, PLEASE CALL THE CLAIMS SERVICE CENTER AT:**

**1-800-CLAIMS-0 (1-800-252-4670)**

You can also go to the Company website ([www.chubb.com](http://www.chubb.com)), click on Report a Loss, select Accident, Benefits and Life claims, select the appropriate form, print out the claim form, fill out and mail. You can file a claim by mail or fax.

**Mailing Address:** CHUBB GROUP OF INSURANCE COMPANIES  
CLAIMS SERVICE CENTER  
600 INDEPENDENCE PARKWAY  
P.O. BOX 4700  
CHESAPEAKE, VA 23327-4700

**Fax Number:** Fax Number 1-800-300-2538



#### **CLAIM PROCEDURE:**

The Insured must send the Company written notice of a claim, including the Insured's name and Policy number, within 90 days after a covered Loss occurs. If notice cannot be given within that time, it must be given as soon as reasonably possible. To file a sworn Proof of Loss, the Insured must send the following information to the Company or its authorized representative:

- \* A copy of the Account statement showing the automobile rental transaction.
- \* A copy of the automobile rental agreement.
- \* A copy of the police report.
- \* A copy of the initial claim report submitted to the automobile Rental Agency.
- \* A copy of the paid claim presented by the automobile Rental Agency for the Damage or Loss for which the Insured is responsible.
- \* If no other insurance is applicable, a notarized statement from the Insured to that effect.

For Personal Property coverage

\*Proof of submission of the Loss to, and the results of any settlement or denial, by the Insured's personal insurance carrier(s).

\*If no other insurance is applicable, a notarized statement from the Insured to that effect.\*Evidence that the personal property has actually been replaced.

**Reminder: Please refer to the Insurance Disclosures section.**

#### **INSURANCE DISCLOSURES**

As a handy reference guide, please read this document and keep it in a safe place with your other insurance documents. This Summary of Coverage is not a contract of Insurance but is simply an informative statement to eligible Insureds of the principal provisions of the insurance while in effect. Complete provisions pertaining to this plan of insurance are contained in the master policy on file with Discover Financial Services LLC, herein referred to as the Policyholder. If a statement in this Summary of Coverage and any provision in the policy differ, the policy will govern.

PLAN UNDERWRITTEN BY  
Federal Insurance Company ("Company")  
a member of the  
CHUBB GROUP OF INSURANCE COMPANIES  
15 Mountain View Road, P.O. Box 1615  
Warren, New Jersey 07061-1651

Plan Administrator  
The Direct Marketing Group, Inc.  
13265 Bedford Avenue  
Omaha, NE 68164

Master Policy Number: 9906-17-64 & 9906-17-62

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**Effective date of benefits:** Effective April 1, 2007, this guide replaces all prior disclosures, program descriptions, advertising, and/or brochures by any party. Policyholder and Company reserve the right to change the benefits and features of these programs at any time.

**Cancellation:** Policyholder can cancel these benefits at any time or choose not to renew the insurance coverage for all authorized Cardmembers. If Policyholder does cancel these benefits, you will be notified at least 60 days in advance. If the Company terminates, cancels, or chooses not to renew the coverage to Policyholder, you will be notified as soon as is practicable. Insurance benefits will still apply for any benefits you were eligible for prior to the date of such terminations, cancellation, or non-renewal, subject to the terms and conditions of coverage.

**Benefits to you:** These benefits apply only to Cardmembers whose cards are issued by U.S. financial institutions. The United States is defined as the 50 United States, the District of Columbia, American Samoa, Puerto Rico, Guam, and the U.S. Virgin Islands. No person or entity other than the authorized Cardmember shall have any legal or equitable right, remedy, or claim for insurance proceeds and/or damages under or arising out of this coverage. These benefits do not apply if your Card privileges have been cancelled. However, insurance benefits will still apply for any benefit you were eligible for prior to the date that your Account is suspended or cancelled subject to the terms and conditions of coverage of your Cardmember Agreement.

**Transfer of rights or benefits:** No rights or benefits provided under these insurance benefits may be assigned without the prior written consent of the Company.

**Misrepresentation and Fraud:** Coverage of the Insured will be void if, at any time, the Insured has concealed or misrepresented any material fact or circumstance concerning this coverage or the subject thereof or the interest of the Insured herein, or in case of any fraud or false swearing by the Insured relating thereto. Coverage for an Insured will be void if, whether before or after a Loss, the Policyholder or its subscribing organization(s) has concealed or misrepresented any material fact or circumstance concerning this coverage or the subject thereof or the interest of the Insured therein, or in case of any fraud or false swearing by the Policyholder or its subscribing organization(s) relating hereto.

**Addition of New Insureds:** All eligible persons will be automatically insured under this Policy.

**Examination Under Oath:** It is a condition of this insurance that the Insured and the Policyholder, as often as may be reasonably required by the Company, will submit, and within its power cause others to submit, to examinations under oath and will produce for examination all writings, books of account, bills, invoices and other vouchers, or certified copies thereof if originals are lost, at such reasonable time and place as may be designated by the Company or its representative, and will permit extracts and copies thereof to be made. No such examination under oath, examination of documents or any other act of the Company, its employees or representatives in connection with the investigation of any Loss or claim will be deemed a waiver of any defense and such acts shall be deemed to have been made or done without prejudice to the Company's liability.

**No Benefit to Others:** This coverage will in no way inure directly or indirectly to the benefit of any insurer, person or organization or other bailee.

**Subrogation:** It is a condition of this insurance that if the Company pays the Insured for a Loss, it will require the Insured to assign and transfer any claim or right of action against any individual, firm or corporation for such Loss to the Company or subrogate or hold in trust all such rights to the extent of the amount paid. The Insured will agree to take action as requested by the Company to enforce such rights. Upon payment by the Company to the Insured, the Insured agrees to direct enforcement of such rights as reasonably requested by the Company and to return to the Company any recovery to the extent payment of Loss has been made by the Company.

**Arbitration:** In the event of a dispute under this policy, either the Company or the Insured may make a written demand for arbitration. In that case, the Company and the Insured will each select an arbitrator. The two arbitrators will select a third. If they cannot agree within 15 days, either the Company or the Insured may request that the choice of arbitrator be submitted to the American Arbitration Association. The arbitration will be held in the state of the Insured's principal residence.



## DESCRIPTION OF COVERAGE

### COMMON CARRIER TRAVEL ACCIDENT INSURANCE.

Discover® Business Cardmembers and Discover® Business Miles Cardmembers are provided with up to \$1,000,000 of Common Carrier Travel Accident Insurance.\* You, your Spouse, Domestic Partner, or eligible Dependent Children for whom a ticket was purchased on your Card (as defined below) will be automatically insured against Accidental Loss of Life, limb, sight, speech or hearing arising from and occurring on a Covered Trip while you, your Spouse, Domestic Partner or eligible Dependent Children for whom a ticket was purchased on your Card are riding as a passenger in or entering, exiting a Common Carrier or riding as a passenger in or entering or exiting any conveyance and while traveling directly to or from the airport, terminal or station immediately preceding the departure of a Common Carrier on which the Insured Person has purchased passage and immediately following the arrival of a Common Carrier on which the Insured Person was a passenger. Benefit Amounts are is payable for Loss of Life, limb, sight, speech and hearing, as described below.

\*Coverage is underwritten by Federal Insurance Company, a member insurer of the Chubb Group of Insurance Companies. Certain limitations and exclusions apply.

### PLAN FEATURES

**THE BENEFITS:** The Benefit Amount of \$1,000,000 is payable for Accidental Loss of Life, limb, sight, speech and hearing, and is payable as a percentage of the Benefit Amount, according to the following schedule of benefits. 100% Life; 100% Speech and Hearing; 100% Speech and one of: Hand, Foot or Sight of One Eye; 100% Hearing and one of: Hand, Foot or Sight of One Eye; 100% Both Hands, Both Feet or Sight of Both Eyes or a combination of a Hand, a Foot or Sight of One Eye; 50% One Hand or One Foot or Sight of One Eye; 50% Speech or Hearing; 25% Thumb and Index Finger of the same Hand. The Loss must occur within one year of the Accident.

**MAXIMUM LIMIT OF INSURANCE:** If more than one Insured Person suffers a Loss in the same Accident, the Company will not pay more than the maximum limit of insurance (\$20,000,000) per Accident. If an Accident results in Benefit Amounts becoming payable, which when totaled, exceed the applicable limit of insurance shown above, the maximum limit of insurance will be divided proportionally among the Insured Persons, based on each applicable Benefit Amount. In the event of multiple Accidental deaths per Account arising from any one Accident, the Company's liability for all such Losses will be limited to a maximum limit of insurance equal to two times the applicable Benefit Amount for Loss of Life. Benefits will be proportionately divided among the Insured Persons up to the maximum limit of insurance.

#### DEFINITIONS:

**Accident or Accidental** means a sudden, unforeseen and unexpected event happening by chance, and includes unavoidable exposure to elements arising from a covered Hazard.

**Accidental Bodily Injury(ies)** means bodily injury which is Accidental, is the direct source of a Loss, is independent of disease, illness or other cause and occurs while this policy is in force.

**Account** means a Card account.

**Benefit Amount** means the Loss amount at the time the entire cost of the passenger fare is charged to an Account.

**Card** means the Discover Business Card or the Discover Business Miles Card, as applicable.

**Cardmember** means the holder of the Card whose name appears on the credit card.

**Company** means the Federal Insurance Company.

**Common Carrier** means any licensed land, water, or air conveyance operated by those whose occupation or business is the transportation of persons or things without discrimination and for hire.

**Commutation** means travel between the Insured Person's residence and regular place of employment.

**Covered Trip** means travel on a Common Carrier when the entire cost of the passenger fare for such transportation, less redeemable certificates, vouchers or coupons, has been charged to the Insured Person's Account.



**Dependent Child or Children** means those children, including adopted children and those children placed for adoption, who are primarily dependent upon the Insured Person for maintenance and support and who are: (1) under the age of 19 and reside with the Insured Person; (2) beyond the age of 19, permanently mentally or physically challenged, and incapable of self support; or (3) under the age of 25 and classified as full-time students at an institution of higher learning.

**Domestic Partner** means a person who: (1) is at least 18 years of age and competent to enter into a contract; (2) is not related to the Insured Person by blood; (3) has exclusively lived with the Insured Person for at least one year prior to the date of enrollment; (4) is not legally married or separated; and (5) as of the date of enrollment, has with the Insured Person at least two of the following financial arrangements: (a) a joint mortgage or lease; (b) a joint bank account; (c) joint title to or ownership of a motor vehicle or status as a joint lessee on a motor vehicle lease; or (d) a joint credit card account with a financial institution. Neither the Insured Person nor the Domestic Partner can be married to, nor in a civil union with, anyone else.

**Hazard** means the covered circumstances for which this insurance is provided as stated in Section III of the Declarations, Hazards, and described in the Hazards form of the policy, as described on page 1 of this Description of Coverage.

**Insured Person** means all Cardmembers, their spouses, Domestic Partners and eligible Dependent Children, as well as authorized users of the Account.

**Loss** means the types of Accidental Bodily Injuries listed in Section IV of the Declarations, Benefits, and for which this insurance provides coverage, as described in the Benefits section of this Description of Coverage.

**Loss of Life** means death, including clinical death determined by the local governing medical authorities.

**Policyholder** means Discover Financial Services LLC, the entity responsible for the payment of premium.

**War** means hostilities following a declaration of War by a government authority. If there is no declaration of War, then (1) armed, open and continuous hostilities between two countries or (2) armed, open and continuous hostilities between two factions, each in control of territory, or claiming jurisdiction over the site of the area of hostility.

**DISAPPEARANCE BENEFITS:** If the Insured Person has not been found within one year of the disappearance, stranding, sinking, wrecking or breakdown of any Common Carrier or conveyance in which the Insured Person was covered as an occupant, it will be assumed, subject to all other terms of the policy, that the Insured Person has suffered Loss of Life covered under this policy.

**EXPOSURE BENEFITS:** Accident includes unavoidable exposure to elements arising from a covered Hazard.

**ELIGIBILITY:** This insurance plan is provided to Insured Persons automatically when the entire cost of the passenger fare(s) is charged to the Cardmember's Account while the insurance policy is effective. It is not necessary for you to notify the Policyholder or the Company when Common Carrier tickets are purchased.

**EFFECTIVE DATES:** Your insurance under this insurance plan is effective on the later of: (1) April 1, 2007; or (2) the date you become an eligible Cardmember. Your insurance coverage under this insurance plan will cease on the earlier of: (1) the date the insurance coverage is terminated; or (2) the date you cease to be an eligible Cardmember.

**THE COST:** This insurance plan is provided at no additional cost to eligible Insured Persons for Covered Trips. Policyholder pays the full cost of the insurance.

**BENEFICIARY:** The Benefit Amount will be paid to the beneficiary designated by you. If no such designation has been made, that benefit will be paid to the first surviving beneficiary in the following order: a) your spouse, b) your children, c) your parents, d) your brothers and sisters, e) your estate. All other indemnities will be paid to you. If you wish to change your beneficiary, you may request a beneficiary designation form by writing to the plan administrator at: The Direct Marketing Group, Inc., 13265 Bedford Avenue, Omaha, NE 68164, or at [BeneficiaryRequest@TheDirectMG.com](mailto:BeneficiaryRequest@TheDirectMG.com)



**EXCLUSIONS:** This insurance policy does not cover Loss resulting from: (1) an Accident occurring while an Insured Person is in, entering, or exiting any aircraft owned, leased or operated by the Policyholder or any aircraft owned, leased or operated by an employee of the Policyholder on behalf of the Policyholder (this exclusion does not apply to aircraft chartered with pilot or crew on a one time charter basis); (2) an accident while an Insured Person is in, entering, or exiting any aircraft while acting or training as a pilot or crew member (this exclusion does not apply to passengers who temporarily perform pilot or crew functions in a life threatening emergency); (3) emotional trauma, mental or physical illness, disease, pregnancy, childbirth or miscarriage, bacterial or viral infection, or bodily malfunctions (except bacterial infection caused by an Accident or from Accidental consumption of a substance contaminated by bacteria); (4) suicide, attempted suicide or Loss that is intentionally self-inflicted; or (5) declared or undeclared War.

**CLAIM NOTICE:** Written claim notice must be given to the Company within 90 days after the occurrence of any Loss covered by this policy or as soon as reasonably possible. Failure to give notice within 90 days will not invalidate or reduce any otherwise valid claim if notice is given as soon as reasonably possible.

**CLAIM FORMS:** When the Company receives notice of a claim, the Company will send you forms for giving proof of Loss to us within 15 days. If you do not receive the forms, you should send the Company a written description of the Loss.

**CLAIM PROOF OF LOSS:** Complete proof of Loss must be given to the Company within 90 days after the date of Loss, or as soon as reasonably possible. Failure to give complete proof of Loss within these time frames will not invalidate any otherwise valid claim if notice is given as soon as reasonably possible and in no event later than one year after the deadline to submit complete proof of Loss.

**CLAIM PAYMENT:** The Company will pay you or your beneficiary the applicable Benefit Amount within 60 days after complete proof of Loss is received and if you, the Policyholder and/or the beneficiary have complied with all the terms of the policy.

**ARBITRATION:** In the event of a dispute under this policy, either the Company or the Insured Person may make a written demand for arbitration. In that case, the Company and the Insured Person will each select an arbitrator. The two arbitrators will select a third. If they cannot agree within fifteen days, either the Company or the Insured Person may request that the choice of arbitrator be submitted to the American Arbitration Association. The arbitration will be held in the state of the Insured Person's principal residence.

**IF YOU HAVE ANY CLAIM RELATED QUESTIONS, PLEASE CALL THE CLAIMS SERVICE CENTER AT**

**1-800-CLAIMS-0 (1-800-252-4670)**

You can also go to the Company website ([www.chubb.com](http://www.chubb.com)), click on Report a Loss, select Accident, Benefits and Life claims, select the appropriate form, print out the claim form, fill out and mail. You can file a claim by mail or fax.

**Mailing Address:** CHUBB GROUP OF INSURANCE COMPANIES  
CLAIMS SERVICE CENTER  
600 INDEPENDENCE PARKWAY  
P.O. BOX 4700  
CHESAPEAKE, VA 23327-4700

**Fax Number:** Fax Number 1-800-300-2538



As a handy reference guide, please read this and keep it in a safe place with your other insurance documents. This description of coverage is not a contract of insurance but is a summary of the principal provisions of the insurance while in effect. Complete policy provisions are contained in the Master Policy, which can be obtained from the Policyholder:

Policy # 9906-17-65

Policy Underwritten By  
Federal Insurance Company  
a member insurer of the  
Chubb Group of Insurance Companies  
15 Mountain View Road, P.O. Box 1615  
Warren, NJ 07061-1615

Plan Administrator  
The Direct Marketing Group, Inc.  
13265 Bedford Avenue  
Omaha, NE 68164