Introduction

An employee driving a vehicle in connection with Deloitte U.S. Firms' business places Deloitte U.S. Firms at risk should he or she be involved in an accident. The Deloitte U.S. Firms' insurance does not provide coverage for a vehicle that is employee owned, borrowed, or on a long-term lease. Consequently, the Deloitte U.S. Firms cannot protect employees in the event of an accident, and no employee is to drive any vehicle on business for the Deloitte U.S. Firms unless the individual is covered by an adequate amount of personal automobile liability insurance and holds a valid driver's license. The driving of a vehicle to and from the office or work location is considered a personal commute and not Deloitte U.S. Firms' business use of the vehicle.

Below are the minimum coverage amounts for an employee who drives a vehicle in connection with the Deloitte U.S. Firms' business.

Private Automobiles

The term "private automobiles" refers to any vehicles owned, long-term leased, or borrowed by an employee or short-term rentals for personal use only. The Deloitte U.S. Firms do not provide liability insurance covering employees' private automobiles. Employees are required to maintain personal automobile insurance coverage in amounts of at least $100,000 combined single limit coverage or $50,000/$100,000 bodily injury and $25,000 property damage liability on private automobiles owned, long-term leased, or borrowed by them if they use their private automobiles for the Deloitte U.S. Firms' business. Employees are expressly forbidden to use any private automobile for Deloitte U.S. Firms' business if the above minimum amounts of liability coverage are not in effect.

In today's litigious society, the Deloitte U.S. Firms believe employees who drive and carry only the minimum required coverage run a significant financial risk. The Deloitte U.S. Firms encourage all employees who drive to obtain personal liability coverage of at least $300,000 combined single limit or $100,000/$300,000 bodily injury and $50,000 property damage liability. Even individuals who do not own or long-term lease automobiles personally are encouraged to obtain nonowner policies in these amounts. Nonowner drivers without personal liability insurance are covered only to the extent of coverage on the vehicle that they are driving. Borrowed automobiles and short-term rental cars may have only the minimum required levels of insurance coverage, leaving the driver underinsured in the event of an accident.
Rented Automobiles
The Deloitte U.S. Firms have preferred car rental suppliers that provide discounted rates with appropriate insurance coverage when renting for business purposes at participating locations. All personnel are expected to use one of these suppliers, if available, in a particular city or airport location as well as ascertain if the location participates under the master rental contract. Should a location not participate under the master rental contract or should an alternate car rental supplier be used, individuals must ensure that the rental contract provides the minimum firm-required liability insurance coverage as well as physical damage coverage to the rental vehicle. In this case, the renter may be required to purchase additional coverage and be reimbursed for the additional cost. Usually a participating location's rental agreement will show loss damage waiver (LDW) as "included" on the rental agreement.

Vehicles should be rented under the Deloitte U.S. Firms' national agreements. Details of the firm's rental car programs, including guidance relating to required insurance coverage, can be found on TravelPort.

Where possible, reservations should be made through the Deloitte U.S. Firms' national travel agency, so the firm attains the negotiated rates and appropriate insurance coverages. It is the renter's responsibility to determine whether the rental agreement includes LDW and liability insurance ($100,000/$300,000 personal injury and $25,000 property damage). When renting from a nonparticipating location or from a company with which the firm does not have a corporate agreement and LDW is not automatically included, individuals should elect LDW; the cost is a reimbursable business expense [APR 520]. Any individual renting without LDW will be personally responsible for any damage to, or theft of, the rental car. Renters should exercise special care if using personal discounts or coupons since many of these invalidate the Deloitte U.S. Firms' contracted insurance coverage.

No individual should rent a car for business purposes that does not include the firm-required minimum liability insurance limits and loss damage waiver (LDW) coverage.

Optional Insurance
Rental car company charges for optional personal effects insurance (PEI), personal accident insurance (PAI), and liability insurance supplements (LIS) are considered personal expenses and will not be reimbursed.

Each of the Deloitte U.S. Firms' preferred car rental suppliers have certain restrictions for vehicles rented for business and part-business and for vehicles rented for 100 percent personal use. Nonfirm drivers (e.g., clients, spouses, other family members) may not be covered for business or part-business use; each traveler should understand the personal-use restrictions when renting under the firm's national agreements. See TravelPort for personal use restrictions.

Reporting Requirements
No employee is to operate any vehicle on Deloitte U.S. Firms' business unless he or she has completed Form 160A and filed the form with the employee's office of residence. Whenever personal automobile liability insurance coverage falls below the minimum requirement, the employee is required to complete a new Form 160A within 30 days of the change.

Offices should endeavor to obtain a Form 160A from each new employee at the time the individual begins employment and within 30 days of the transfer date for employees transferring from another Deloitte U.S. Firms office.
PERSONAL AUTOMOBILE LIABILITY INSURANCE

Deloitte U.S. Firms:

I have read Administrative Policy Release 160 Personal Automobile Liability Insurance-Employees and understand the requirements as stated in that release and my obligation to follow such requirements. Accordingly, I acknowledge, among other things, the following:

- I am expressly forbidden to drive any vehicle on Deloitte U.S. Firms’ business unless I am covered by an adequate amount of personal automobile liability insurance and hold a valid driver’s license.
- The Deloitte U.S. Firms do not provide liability insurance covering any vehicle owned, long-term leased, or borrowed by me or any short-term rentals for personal use.
- I am required to maintain personal automobile insurance coverage in amounts of at least $100,000 combined single limit coverage or $50,000/$100,000 bodily injury and $25,000 property damage liability on any private automobile owned, long-term leased, or borrowed by me if I use that private automobile for Deloitte U.S. Firms’ business.
- The Deloitte U.S. Firms encourage me to obtain personal liability coverage of at least $300,000 combined single limit or $100,000/$300,000 bodily injury and $50,000 property damage liability if I drive in connection with Deloitte U.S. Firms’ business, even if I do not own or long-term lease automobiles personally.
- I am prohibited from renting a car for business purposes outside the Deloitte U.S. Firms’ negotiated contracts if that rental agreement does not include the firm-required minimum liability limits and loss damage waiver (LDW) coverage.
- I cannot operate any vehicle on Deloitte U.S. Firms’ business unless I have completed this form and filed it with my office of residence.
- I agree to notify the Deloitte U.S. Firms within 30 days, if my coverage falls below the minimum required amounts.

I (choose the one that applies) ____ carry ____ do not carry the required amount of personal automobile liability insurance. The amount of personal automobile liability insurance I carry is as follows:

<table>
<thead>
<tr>
<th>Coverage Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Single Limit Coverage</td>
<td>$ ______________</td>
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<tr>
<td>or</td>
<td></td>
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<tr>
<td>Bodily Injury</td>
<td>$ ______________</td>
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<tr>
<td>Property Damage</td>
<td>$ ______________</td>
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</tbody>
</table>

(Date)

(Employee Signature)

(Print Employee Name)