

Vallerie Service Company, LLC  
751 Frankfurst Avenue  
Baltimore, MD 21226

410-355-7765

Fax-355-8900

**Customer Credit Application**

Applicant's Name: \_\_\_\_\_ Corporation: \_\_\_\_\_

Physical Address: \_\_\_\_\_ Partnership: \_\_\_\_\_

Billing Address: \_\_\_\_\_ LLC: \_\_\_\_\_

Phone# \_\_\_\_\_ Fax: \_\_\_\_\_ Fed ID#: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_ Years in Business: \_\_\_\_\_

If Subsidiary, Name of Parent Co. \_\_\_\_\_

Address of Parent Co \_\_\_\_\_

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**Owners, Officers or Partners Information**

Name: \_\_\_\_\_ SS# \_\_\_\_\_

Street, City, St, Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Name: \_\_\_\_\_ SS# \_\_\_\_\_

Street, City, State, Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Name: \_\_\_\_\_ SS# \_\_\_\_\_

Street, City, State, Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

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**Bank Reference**

Bank Name: \_\_\_\_\_ Phone # \_\_\_\_\_

Person to Contact: \_\_\_\_\_ Account # \_\_\_\_\_

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**Credit Card Information (No Debit Cards)**

Credit Card #: \_\_\_\_\_ Name on Credit Card \_\_\_\_\_

Type \_\_\_\_\_ Exp Date \_\_\_\_\_ Credit Limit \_\_\_\_\_

Credit Card #: \_\_\_\_\_ Name on Credit Card \_\_\_\_\_

Type \_\_\_\_\_ Exp Date \_\_\_\_\_ Credit Limit \_\_\_\_\_

**VALLERIE SERVICE COMPANY**

**Customer Credit Application**

**Credit References**

Reference Name 1: \_\_\_\_\_ Phone # \_\_\_\_\_

Person to Contact \_\_\_\_\_ Fax # \_\_\_\_\_

Reference Name 2: \_\_\_\_\_ Phone # \_\_\_\_\_

Person to Contact \_\_\_\_\_ Fax # \_\_\_\_\_

Reference Name 3: \_\_\_\_\_ Phone # \_\_\_\_\_

Person to Contact \_\_\_\_\_ Fax # \_\_\_\_\_

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The undersigned jointly and severally hereafter called the "Guarantor," in order to induce the VSC to extend or continue to extend financial accommodations to the Lessee, hereby guarantees to the VSC the full and prompt payment of all loans, drafts, overdrafts, notes, bills, open account and all other debts, obligations, and liabilities of every kind and description, whether now owing or hereafter arising out of credit previously, contemporaneously, or hereafter granted by the VSC to the Lessee, whether arising from dealings between the VSC and the Lessee, or from dealings by which the VSC may become, in any manner whatever, a creditor of the Lessee.

This is a guarantee of payment and not of collection. This shall be a continuing Guarantee and shall not be affected by any payment made by the Lessee to the VSC, whether in the form of cash, property, renewal, or other consideration.

The Guarantor hereby waives all notices hereunder, demand, presentation and any and all notices of protest, default, or nonpayment. The Guarantor consents to any and all extensions or renewals made by the VSC for or on account of any indebtedness of the Lessee to the Vallerie Service Company, LLC, (VSC). The VSC may proceed directly against the Guarantor in the event of any default by the Lessee without resort to any other persons, to the assets of the Lessee, to any collateral security granted by the Lessee to the VSC, or the liquidation of any collateral security given hereunder to secure this Guarantee.

Jurisdiction and Venue for any action to enforce this guarantee shall be proper in the state of Maryland U.S.A, or in such other proper jurisdictions at the option of Vallerie Service Company, LLC.

It is agreed that although the amount of credit extended to the Lessee, or liability incurred by the Lessee to the VSC is not limited, the liability of any of the Guarantor to the VSC shall not exceed the sum shown below. If the foregoing amount is not filled in and initialed by the Guarantor, it is understood that this Guarantee shall cover all obligations of the Lessee to the VSC.

This Guarantee is unconditional and absolute. The Guarantor agrees to pay 20% attorney's fees if the invoices are found to be in default and delivered to an attorney for collection.

\_\_\_\_\_  
**Signature of Guarantor** (Does not indicate corporate capacity) \_\_\_\_\_ **Date** \_\_\_\_\_

Printed Name \_\_\_\_\_

## CONDITIONS OF LEASE AGREEMENT

**Vallerie Service Company, llc (“Lessor” hereby rents the Vehicle to the customer identified on the face hereof (“Lessee”) subject to the following terms and conditions:**

### 1. ENTIRE AGREEMENT:

A. This Agreement contains all of the terms and conditions between the parties. No agreements, understandings or representations not specifically contained herein shall be binding upon any of the parties hereto unless reduced to writing and signed by the parties to be bound thereby.

B. This is an Agreement of rental only and not a sale. Lessee does not acquire hereunder, or by payment of said rental, any right, title or interest in or to the vehicle other than the right to possess and use the Vehicle provided the Lessee shall not be in default in performance hereunder. Lessee is not Lessor’s agent for any purpose.

2. DEFINITIONS: Lessee includes the person signing this Agreement and any other person or organization to whom charges are to be billed, all of whom shall be jointly and severally liable hereunder. "Vehicle" includes the truck, tractor, trailer or container identified in this Agreement and all tires, tools, accessories, appurtenances or other equipment attached thereto or contained therein.

3. WEIGHT DISTRIBUTION: Lessee shall load the Vehicle in manner which will evenly distribute the weight. For storage loads in excess of 15,000 lbs. Gross weight, additional proper support shall be provided by Lessee at the king-pin assemble and wherever else necessary. Lessee shall fully compensate Lessor for any and all costs, damage and expenses resulting from Lessee’s failure to provide such support.

### 4. PROHIBITED MATERIALS/USES:

A. The use of this Vehicle for any purpose involving hazardous waste or contaminated materials is prohibited. Lessee shall comply with all laws and regulations affecting the use, operation or maintenance of the Vehicle and shall indemnify and **HOLD HARMLESS** the Lessor from any fines, forfeitures, seizures, penalties and liabilities arising from any infringement or violation of any law or regulation by the Lessee or his employees or by any other person or arising from the use, possession, operation or condition of the Vehicle. Lessee shall indemnify and **SAVE HARMLESS** the Lessor from any all claims, liens, or liability arising from work being performed materials supplied in connection with the operation of the Vehicle and from loss or damage thereto and from and against all loss, penalties and expenses, including attorney’s fees, however arising because of, but not limited to, the storage, maintenance, use, repair, loading, unloading or operation of the Vehicle. Lessee shall be responsible for all costs of disposal and/or decontamination of the Vehicle if it is used for any prohibited purpose involving hazardous waste or contaminated materials.

B. Vehicles rented for storage shall not be moved from its original location without permission from Lessor. Unauthorized use of a storage Vehicle as an over-the-road trailer shall be considered a default of this Agreement and which will subject Lessee to billing for such Vehicle used at the then prevailing over-the-road rate for every monthly period from the inception of this Agreement and/or the remedies set forth in Section 19 below.

C. Lessee agrees that vehicles rented for storage shall not be moved from its original location without permission from Lessor. Lessee’s unauthorized movement of a storage vehicle shall constitute termination of this Agreement at Lessor’s election and Lessee shall be responsible for all costs that arise as a result of any unauthorized movement, and for the pick-up and return of the moved equipment.

5. SUBLEASE: Lessee shall NOT have the right to assign this lease or to sublet, rent, hire out or part with possession of any Vehicle without written consent of the Lessor.

### 6. ROAD TRAILERS, STORAGE TRAILERS & GROUND LEVEL STORAGE CONTAINERS:

A. The Vehicle Shall not be operated by any person other than the Lessee or agents or employees of the Lessee each of whom Lessee warrants to be duly qualified and possessing a currently valid operator’s license not revoked, suspended or limited. No operator shall be under the influence of any drugs or alcohol.

B. Lessee assumes full responsibility for any additional expense incurred by reason of a breakdown of the Vehicle whether or not causing a delay enroute, including, but not limited to, storage forwarding cost and subsistence expense. Lessee shall pay for any mechanical damage to the Vehicle caused by failure to maintain adequate tire pressure, oil in oil seals or by reason of any neglect in servicing or maintenance of Vehicle while under Lessee’s custody or control. Lessee shall have the responsibility of making all repairs to damages immediately after they occur.

C. Mileage shall be determined by reading hubodometer in such cases as there may be a hubodometer. In the event there is not a hubodometer and a mileage charge is agreed upon, Lessee shall report to the Lessor the mileage which the Vehicle used and the Lessor shall have the right and privilege to examine the Lessee’s vehicles and/or records and a mileage shall be equitable determined by the Lessor. Lessee shall be billed monthly for estimated mileage and shall pay such bills upon receipt subject to adjustment when Lessee advises Lessor of correct mileage.

D. Tires, Brakes and Usage: Tires and brakes are the responsibility of the lessee. In the event there is not a hubodometer and a mileage charge is equal to zero the lessee will be charge \$20 per 1/32 for the amount of tread wear and \$20 per 10% for break wear.

7. RENTAL PERIOD/LEASE RENEWAL: All rentals shall be for the terms specified on the face hereof starting on the date of delivery. Unless otherwise agreed to by Lessor and Lessee in writing prior to the expiration of the minimum term, this Agreement shall automatically renew itself without regard to the stated minimum period. At any time thereafter, the Lessor may change any of the rates or charges for the Vehicle or may require Lessee to return the Vehicle to the location designated by the Lessor. LESSOR DOES NOT PRO-RATE ANY RENTAL PERIOD The term "Rental Day means a calendar day or any portion thereof.

8. VEHICLE ACCESSIBILITY: At the expiration of the lease, Lessee shall, at its sole cost and expense remove ALL OBSTRUCTIONS which would prevent hook-up with tractor or otherwise hinder the Lessor in removing the Vehicle. In the event any obstructions, whether caused by Lessee, its agents, others or an act of God, are not removed, then Lessor may at its discretion (i) remove said obstructions and/or charge customer for any expenses incurred to remove vehicle including, but not limited to, towing charges, snow removal, crane rental, etc., or (ii) cause the Vehicle to remain on rental until the obstruction is removed or Lessor is compensated for the Vehicle's full replacement value.

9. PICKUP/DELIVERY/PLACEMENT/MOVEMENT:

A. In the event that Lessor delivers, picks up or moves a Vehicle for Lessee, Lessee agrees to pay the delivery, pick-up and/or movement charge set forth on page one hereof. In the event, Lessee or its agent causes the delivery, pick-up or movement to take longer than normal, then, and in that event, Lessee shall pay the sum of \$85.00 per hour per trailer and \$125.00 per hour per ground level container for such additional time.

B. In connection with such delivery, pick-up and/or movement, Lessee shall **SAVE HARMLESS** the Lessor from any and all claims for any damages to property including, but not limited to, lawns, shrubs, driveways, sidewalks, buildings, etc. Lessee will be responsible for the payment of all towing charges, etc. for any vehicle of the Lessor in connection with such delivery, pick-up and/or movement.

C. Lessor's delivery of the Vehicle may be subject to delays beyond Lessor's control. Lessee shall have no claim against Lessor for consequential damages or any other damages as a result of such delay.

D. Prior to a pick-up notification, **Lessee shall be responsible to have the Vehicle emptied and swept out.** Upon termination of the Agreement and notification by Lessee, Lessor shall have 31 days to remove the Vehicle from Lessee's premises.

10. LICENSES/PERMITS: Lessee shall (a) obtain and pay for all trip permits, licenses or special fees or taxes required by law or regulation where Lessee operates the Vehicle, (b) promptly pay for all traffic and parking violations, fines and penalties.

11. INSPECTION: Lessee acknowledges that Lessee has inspected the condition of said Vehicle is satisfactory to the Lessee for the Lessee's use.

12. RISK OF LOSS, YARD STORAGE:

A. While the Vehicle is rented and/or in the possession or control of the Lessee or rented but in the possession of the lessor, all risk of loss is the responsibility of the Lessee. If the Vehicle is lost, stolen, abandoned or determined by Lessor to be substantially damaged or inoperable, the Vehicle shall remain leased until Lessor is compensated by Lessee for the full replacement value.

B. LESSOR DISCLAIMS AND EXCLUDES AND LESSEE WAIVES ALL WARRANTIES OF ANY KIND AND NATURE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE VEHICLE IS LEASED "AS IS". LESSOR SHALL NOT BE RESPONSIBLE FOR ANY CONSEQUENTIAL OR PROXIMATE DAMAGES DUE TO ANY REASON, INCLUDING DAMAGES TO GOODS OR ITEMS PLACED IN OR UPON THE VEHICLE. LESSEE ASSUMES ALL RISK OF DAMAGE WHETHER OR NOT CAUSED BY OR RELATED TO THE NEGLIGENCE OR FAULT OF LESSOR, ITS AGENTS OR EMPLOYEES.

C. Lessee hereby specifically indemnifies Lessor, and agrees to HOLD LESSOR HARMLESS against all loss and damage Lessor may sustain or suffer because of (a) any loss of or damage to Vehicle, (b) the death of or injury to, or damage to the property of, any third person as a result of, in whole or in part, the use or condition of the Vehicle while in the custody, possession or control of Lessee, and (c) the failure of Lessee to maintain the Vehicle as agreed and provided herein.

D. Lessor shall not be responsible for any loss or damage to any property left stored, loaded or transported by Lessee or any other person in or upon the Vehicle regardless where the Vehicle is stored or located including, with limitations, Lessor's premises. Lessee further agrees to HOLD LESSOR, ITS AGENTS AND EMPLOYEES HARMLESS from, defend and indemnify them from and against all claims based upon and arising out of any such loss or damage, including but not limited to attorney's fees.

13. VEHICLE MAINTENANCE/DAMAGE:

A. Lessee agrees, at Lessee's cost, to; maintain and return the Vehicle in good repair and operating condition, ordinary wear and tear excepted, free of any liens and encumbrances and to replace with new parts all badly worn or broken parts.

B. If the Vehicle is returned with items missing or requiring repairs, it shall remain leased until said replacements or repairs, acceptable to Lessor, have been made by Lessee. If Lessee elects not to make the required repairs and replacements and Lessor undertakes Lessee's obligation, Lessor shall determine the amount due and the Vehicle shall remain leased until the date that Lessor's invoiced amount is paid by Lessee.

C. Lessor shall have no liability for any replacement tires or other parts, or for any unauthorized repairs or service to the vehicle made without the prior written approval of the Lessor.

14. **INSURANCE:** Lessee agrees, at Lessee's cost and expense, simultaneously with or prior to delivery, to procure, deliver to Lessor and keep in full force and effect during the term of this Agreement, a valid and pre-paid business auto or trucker's policy or policies covering hired autos, trailers and containers for bodily injury and comprehensive general liability policy providing for contractual liability coverage for hold harmless agreements, all satisfactory to Lessor as to the insurer with a combined single limit of one million dollars (\$1,000,000.00). The certificate of insurance must name Lessor as an "Additional Insured" with regard to the liability coverage and "Loss Payee" with regard to the physical damage coverage for the period from the delivery until the return of the Vehicle. Lessee shall promptly notify the insurance carrier named on the certificate of insurance of any event which results in physical damage to the vehicle pursuant to the terms and conditions of said insurance policy. If Lessor determines that Lessee is not maintaining the proper insurance policies as required, Lessee shall be default and Lessor shall be entitled to exercise remedies set forth in Section 19(A) below.

15. **ACCIDENTS:** Within twenty-four hours after occurrence, Lessee shall report all accidents to the local or state police and provide the Lessor with a written accident report.

16. **TAXES:** Lessee shall pay in addition to payments of rentals: (a) all taxes levied against or based upon the value of the Vehicle, its use, or the amount of rentals to be paid hereunder ("taxes" includes all taxes, charges and fees except income taxes); and (b) costs and expenses, including attorney's fees, incurred by Lessor in enforcing any of the terms, provisions, covenants and indemnities provided herein.

17. **DEFAULT:**

A. If any act or thing required to be performed by Lessee shall not be performed in the manner and at the times required herein, Lessee shall be in default. Lessor thereupon shall have the right, without prejudice to any other right or remedy which Lessor may have and without notice or demand, to declare all charges and unpaid lease payments and all lease payments required to complete the minimum term specified on the reverse side, due and payable forthwith and to repossess and retain the Vehicle free of all rights of Lessee, without any liability and without releasing Lessee from any Lessee's covenants, obligations and indemnities hereunder. If Lessor elects to repossess the Vehicle and hold same for Lessee either in Lessor's possession or in public storage at the expense of Lessee, Lessee does irrevocably appoint Lessor as its agent and does irrevocably grant Lessor power for repossession, including entry upon Lessee's property or the property of another. Lessee does irrevocably grant the right to Lessor to transfer, at Lessor's option, the contents of the repossessed Vehicle to a substitute vehicle. In the event Lessor exercises its right to repossess the Vehicle, Lessee shall HOLD LESSOR HARMLESS from any claims, suits, demands or causes of action as a result of any damage to the contents of the repossessed vehicle. Lessee shall further indemnify and HOLD LESSOR HARMLESS from any claims, suits, demands or causes of action by any third party if Lessor repossesses the Vehicle. Repossession shall not constitute a termination of Lessee's obligations under this Agreement. Lessor shall further have the right to; lease or sell the Vehicle upon such terms and conditions as Lessor shall deem reasonable. Lessee shall be responsible for all costs incurred in the actual act of repossession. Including attorney's fees and disbursements.

B. Where Lessor is leasing the Vehicle to Lessee for storage of Lessee's personal property on Lessor's property or where Lessor permits Lessee to store Lessee's vehicle on Lessor's property, in the event Lessee defaults in any of the terms or conditions of the Agreement, including but not limited to, payment obligations, Lessor may in its discretion, terminate this Agreement and proceed with any and all legal remedies available to obtain possession of the vehicle and/or the land upon which it stands and to collect amounts owed by Lessee. Subsequent to any such termination, Lessee shall pay Lessor rental charges in an amount equal to the rate set forth in this Agreement until such time as Lessee removes its personal property and/or trailer from Lessor's property. Further, in the event of such default, Lessee shall pay all of Lessor's costs of collection, including reasonable attorney's fees, and all costs relating to the removal of Lessee's personal property from Lessor's premises.

C. If Lessee (if an individual) dies; or if Lessee is dissolved; then Lessee shall be default under this Agreement and Lessor shall have and may exercise any one or more of the remedies set forth in paragraph 19(A) hereof; and this Agreement shall, at the option of Lessor, without notice, immediately terminate and shall not be treated as an asset of Lessee after the exercise of said option

18. SECURITY INTEREST: Lessee hereby grants to Lessor a security interest in all of its rights and title to and interest in all property located in the Vehicle at any particular time (the "Security Interest"). The Security Interest shall secure the payment and performance of Lessee's obligations to Lessor under this Agreement.

19. LATE PAYMENTS. A service charge of 1.5% per month (18% per annum) compounded interest will be charged on all unpaid accounts after 30 days from the invoice date. Lessor shall have the option to apply payments received to any of Lessee's outstanding invoices and/or charges as Lessor elects, without regard to Lessee's written instructions.

20. MISCELLANEOUS:

A. Lessor reserves the right to place upon the Vehicle, the name, logo and unit number.

B. If Lessee shall fail to return the Vehicle within three days after the time specified or after demand has been made by the Lessor, such failure shall constitute an unauthorized taking, retention, use and operation of the Vehicle and Lessor may thereafter consider the Vehicle as stolen and may take such steps as Lessor shall be entitled to by law including but not limited to causing a warrant to be issued or any other steps which Lessor shall deem reasonable and necessary to recover the Vehicle. Lessee hereby releases Lessor from and agrees to indemnify Lessor against all claims for damages which Lessee or any other party may sustain as a result of any action taken by Lessor under this paragraph.

C. Any conflict between Lessee's purchase order and this agreement shall be resolved in favor of this Agreement.

D. Lessee waives all right to notice and judicial hearing before Lessor obtains a prejudgment remedy of attachment, garnishment or replevin.

E. The failure of Lessor to insist upon the punctual performance of the covenants of Lessee hereunder, Lessor's failure to exercise any right or remedy available under or upon this Agreement, any failure of Lessor to require payment, as and when due, of any sum owing hereunder, or any extension of credit or forbearance on the part of Lessor, shall not constitute a waiver of any subsequent default hereunder. All demands for payment and performance and all notices of non-payment under this agreement are hereby waived by Lessee.

F. For purposes of this Agreement, any notices and demands required to be given shall be given to the parties in writing and by certified mail, return receipt requested, at the respective addresses (of Lessee or Lessor, as the case may be) hereinabove set forth or to such other address as Lessor Lessee may hereafter substitute by written notice.

G. Lessee will, at its expense, promptly and duly execute and deliver to Lessor such further documents and assurances and take such further action as Lessor may from time to time request in order to effect more definitively the intent and purpose of this Agreement and to establish and protect the rights, interests and remedies intended to be created in favor of Lessor hereunder.

H. If any provisions of this Agreement are in conflict with any applicable statute, regulation or rule of law, then such provisions shall be deemed null and void to the extent that they may conflict therewith, but without invalidating the remaining provisions hereof.

21. Lessee will provide written notice when trailer is in need of mechanical repair. Written notice will include a description of the cause and all pertinent information concerning both the cause and the remedy require to repair the unit to its original condition. When the cost of repairs is solely Lessee's responsibility, lessee has the right to choose who you want to perform this work, provided that the provider of such service is a certified repair facility who warrants their work and estimates for such work are submitted five business days prior to commencement of the work.

22. Other Equipment. The Lessor may elect to loan or replace a piece of equipment. Loaned equipment is limited to four business days; thereafter-loaned equipment will revert to the then current leasing rates. The terms of this lease extend over all equipment leased to the lessee unless a separate contract exists. Leased units may be added or subtracted to this contract, that if no other contract exist, then this contract extends over all equipment utilized by the lessee and owned by the lessor: Vallerie Service Company, LLC.

23. This Agreement shall be governed by and constructed in accordance with the laws of the State of Maryland. To the fullest extent permitted by applicable law, Lessee hereby consents to the jurisdiction of all federal and state courts in the State of Maryland with respect to all disputes and controversies arising in connection with this Agreement, and hereby consents that all service of process upon it in connection therewith may be made by registered mail, return receipt requested, directed to it at the address designated on the face hereof and service so made shall be deemed to have been completed five (5) days after the same shall have been deposited in the U.S. mail.

The undersigned acknowledges and accepts the "CONDITIONS OF LEASE AGREEMENT". The CONDITIONS OF LEASE AGREEMENT are hereby incorporated in any and all established contracts. The CONDITIONS OF LEASE AGREEMENT supersedes and amends all existing contracts currently between the lessor and the lessee.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

**CERTIFICATE OF INSURANCE**

**All trailers being transported by any entity other than Vallerie Service Company are subject to the following Insurance Requirements!**

The lease agreement requires the Lessee to provide liability and physical damage insurance coverage on all units while on hire. No equipment will be released to a Lessee until Vallerie Service Company verifies the customer's insurance coverage. This requires that Lessee provide a "Certificate of Insurance" (COI) to Vallerie Service Company evidence of insurance coverage. The information below establishes the insurance requirements for leasing equipment from PLM Trailer Leasing:

Liability Coverage – Comprehensive general/auto liability in an amount not less than a combined single limit of \$1,000,000 per occurrence.

**Insurance Information\***

Insurance Carrier: \_\_\_\_\_ Phone # \_\_\_\_\_

Broker Name \_\_\_\_\_ Policy # \_\_\_\_\_

Broker Address \_\_\_\_\_

Type of Insurance \_\_\_\_\_ Expiration Date \_\_\_\_\_

**Physical Damage Coverage**

While a unit is on hire, the lessee is responsible for all physical damage to, or loss or destruction thereof, however caused.

We require that the Lessee provide comprehensive physical damage insurance including fire and theft, collision, and combined additional coverage for the trailer.

In limited situations we will allow the Lessee to self-insure against physical damage, providing the Lessee is credit worthy, to assume such a risk. The VSC Credit Department will make the decision on all self-insurance issues. In cases of self-insurance coverage, we must have a letter of agreement from the Lessee acknowledging their responsibility for both physical damage to - and loss or destruction of - our equipment and it must be counter signed by VSC or the lessee shall not be allowed to self insure.

All policies of insurance covering lessee shall be issued by an insurer satisfactory to VSC and shall contain the following provisions:

1. Such coverage will be primary and all other coverage's enforced secondarily.
2. The interest of VSC will be insured regardless of any breach or violation of any warranties, declarations or conditions contained in such policies; and
3. If any such policy shall be cancelled or materially changed, such cancellation or change will not be effective until thirty (30) days after written notice thereof.
4. Lessee shall furnish VSC with certificates of such insurance and all such certificates shall show VSC as an **additional named insured and loss payee** and shall require notice to VSC of any modifications or cancellation as provided above.