



ESSEX INSURANCE COMPANY

MOTOR TRUCK COVERED PROPERTY- LEGAL LIABILITY DECLARATIONS BROAD FORM

Previous Policy Number: _____ New Policy Number: _____ -

Named Insured: _____

Address: _____

City/State/Zip Code: _____

Policy Period: From: _____ To: _____ 12:01 A.M. Standard time at the address of the Insured as stated above.

PLEASE NOTE THAT THIS POLICY CONTAINS A 100% COINSURANCE CLAUSE

I. PREMIUM OPTIONS

Annual Per Vehicle Reporting Basis gross receipts

Premium at Inception:	\$
Minimum Premium	\$
Foreign Terrorism Premium:	\$
Municipal Tax:	\$
Stamping Fee:	\$
Surcharge:	\$

Forms Attached at Inception:

Countersignature Date: _____ Countersigned At: _____

Countersigned By: _____
Authorized Representative

Broker Code: _____ Broker: _____

TERMS IN BOLD MAY HAVE BEEN DEFINED IN THIS POLICY. PLEASE REVIEW ALL DEFINITIONS AS THEY AFFECT THE COVERAGE PROVIDED BY THIS POLICY.

II. DECLARATIONS

A. This policy covers **your** liability as set forth in Paragraph I of the Insuring Agreement for **loss to Covered Property** consisting principally of: _____ throughout: _____. This policy covers **your** liability for the **Covered Property** only while it is physically carried by the following **vehicles** or, if indicated above, mobile homes or towed vehicles while physically attached to the following **vehicles**:

UNIT	YEAR	MANUFACTURER	IDENTIFICATION NUMBER	BODY TYPE	LIMIT OF LIABILITY PER VEHICLE	PREMIUM PER VEHICLE
1.						
2.						
3.						
4.						
5.						

IF CHECKED, BLANKET COVERAGE ON ALL **VEHICLES** OPERATED BY THE INSURED, INCLUDING DETACHED TRAILERS (SCHEDULE WAIVED).

B. This policy covers **your** liability as set forth in Paragraph II of the Insuring Agreement for **loss to Covered Property** consisting principally of the property noted above, while the **Covered Property** is unloaded from the **vehicles** and held at the following terminals:

ADDRESS	LIMIT OF LIABILITY	PREMIUM
1.	\$ _____	\$ _____
2.	\$ _____	\$ _____

ABSENCE OF ENTRY MEANS NO **TERMINAL** COVERAGE AFFORDED.

III. LIMIT OF LOSS \$_____ (As defined in Insuring Agreement VII)

IV. Deductible (As defined in Insuring Agreement VI) \$_____

V. Refrigeration Breakdown Deductible (As defined in Insuring Agreement VI) \$_____

VI. LIMITATIONS

IN CONSIDERATION OF THE PREMIUM CHARGED, AND SUBJECT TO ALL TERMS, LIMITATIONS, CONDITIONS, AND EXCLUSIONS OF THIS POLICY, THE FOLLOWING PROVISIONS ARE EFFECTED **ONLY IF MARKED:**

- 1. Locked **Vehicle** Clause
- 2. Unattended **Vehicle** Clause
- 3. Reproduction Cost Clause
- 4. Cotton Gin Clause
- 5. Personal Property Clause

VII. OPTIONAL COVERAGES

IN CONSIDERATION OF THE PREMIUM CHARGED, AND SUBJECT TO ALL TERMS, LIMITATIONS, CONDITIONS, AND EXCLUSIONS OF THIS POLICY THE FOLLOWING PROVISIONS ARE EFFECTED **ONLY IF MARKED:**

1. Tarpaulin Clause
2. Refrigeration Breakdown Clause
3. Owner's Goods Clause

VIII. PROPERTY SUBJECT TO LIMITATION

Coverage for **loss** caused by theft of fur or garments trimmed with furs, or any type of silks, rayons, nylons, wearing apparel, liquor and other alcoholic beverages, tobacco products, drugs and pharmaceuticals, cameras of any kind, photographic film equipment and supplies, automotive parts and tires, radio stereo and television set and parts, audio or visual (digital or analog) equipment, computers and their accessories, including hardware and software, cellular phones, copper and copper products and precious metals and alloys shall not exceed 10% of the limits stated above or \$5,000 whichever is less as respects any one **occurrence**. All other theft limitations will also apply in the event of **loss**. THIS LIMITATION SHALL NOT APPLY ONLY WHEN THE COVERED PROPERTY IS SPECIFICALLY IDENTIFIED IN PARAGRAPH IIA ABOVE.

THESE DECLARATIONS TOGETHER WITH THE APPLICATION, THE MOTOR TRUCK CARGO LEGAL LIABILITY BROAD FORM, CONDITIONS, SCHEDULES AND ENDORSEMENTS (IF ISSUED), COMPLETE THE ABOVE NUMBERED POLICY.



ESSEX INSURANCE COMPANY

MOTOR TRUCK CARGO - LEGAL LIABILITY BROAD FORM

Subject to the foregoing declarations and in consideration of the payment of the premium this Company agrees with the Insured as follows:

INSURING AGREEMENTS

- I. **Transit Coverage.** This policy covers **your** liability as a carrier, or as an agent under written equipment lease, for **loss to Covered Property** while the **Covered Property** is in the **due course of transit** under one of the following: a) written bill of lading or shipping receipt **you** issued; b) written contract of carriage or c) a written vehicle lease. The **Covered Property** must be in or on the **vehicle(s)** described in the Declaration and being operated by **you** within the areas specified on the Declarations at the time of **loss**. The policy will also cover **loss** during the loading and unloading of **Covered Property** from the vehicle. Loading and unloading under this policy is defined as movement of **Covered Property** to or from an area within 50 feet of the **vehicle**.
- II. **Terminal Coverage.** Where **terminal** coverage is indicated in the Declarations, this Policy also covers **your** liability as a carrier, or as an agent under written equipment lease, for **loss to Covered Property** in **due course of transit** under one of the following: a) written bill of lading or shipping receipt **you** issued; b) a written contract of carriage or c) a written vehicle lease, while the **Covered Property** is unloaded or on a detached trailer at **terminals** described in the Declarations for the following periods:
 - A. Outside the **terminal** building – 72 hours after arrival at the **terminal**.
 - B. Inside the **terminal** building – 30 days after arrival at the **terminal**.
- III. **Coverage Extensions.** The following coverage extensions will be in addition to the applicable policy limit, but will be subject to the deductible amount set forth on the Declarations Page.
 - A. **Sue and Labor Expenses.** We will pay the reasonable and necessary costs **you** incur, up to \$2,500, to preserve and protect **Covered Property** from imminent **loss**. The expenses will be paid only if reported to **us** in writing within 180 days of the **loss**.
 - B. **Debris Removal Expenses.** We will pay **your** expenses, up to \$2,500 to remove debris of **Covered Property** after a covered **loss**. The expenses will be paid only if reported to **us** in writing within 180 days of the **loss**.
 - C. **Freight Charges.** We will pay **you** earned freight charges, up to \$2,500 that are due and uncollectible as a result of a **covered loss**.
- IV. **No Defense.** This policy does not contain any duty on **our** part to defend any legal action brought against **you**. However in the event any legal action is brought against **you** for a **loss** which is alleged to be above the deductible and which might constitute a claim under this Policy **you** are required to give immediate notice to **us**. Failure to provide immediate notice of the legal proceedings will bar any recovery under the policy. **We** reserve the right to elect to defend the action in **your** name. If **we** elect to provide a defense, **we** will pay all legal expenses incurred by **us**, and any judgment against **you**, up to the policy limit and subject to the valuations and limitations provided in this policy.
- V. **Exclusions.**
 - A. **This policy does not insure the liability of the Insured for loss to the following types of COVERED PROPERTY:**
 1. Accounts, bills, deeds, evidences of debt, letters of credit, passports, documents, railroad or other tickets, notes, securities, money, currency,

bullion, precious stones, jewelry and/or similar valuables, paintings, statuary and other works of art, manuscripts, or mechanical drawings;

2. Any **Covered Property** if **your** rights of subrogation against any other party have been waived or made unenforceable prior or subsequent to the loss or damage.

B. This policy does not insure the liability of the Insured for loss to any Covered Property caused by or resulting in or from any of the following, whether any other cause contributes to the loss or damage:

1. Delay, loss of market; loss of market value, loss of use, interruption of business, any consequential **loss** beyond the direct physical loss to **covered property**.
2. Spoilage, contamination, freezing or rusting, unless caused by or resulting from: (unless otherwise indicated in the policy).
 - a. Fire, lightning and explosion;
 - b. Accidental collision of the **vehicle** with any other object, excluding collision with the **Covered Property**, or collision with any portion of the road or pathway being traveled by the **vehicle**, or collision with adjacent curbing, or collision with the rails or ties of street, steam or other railroad or any collision of the **Covered Property** with any object.
 - c. Overturning of carrying **vehicle**;
 - d. Collapse of bridges or culverts;
 - e. Flood (meaning rising of streams or navigable waters);
 - f. Cyclone, tornado or windstorm, excluding loss or damage caused by hail, rain, sleet or snow, whether driven by wind or not.
3. Hail, rain, sleet or snow, whether driven by wind or not;

4. Strikes, lockouts, labor disturbances or riots, or civil commotions;
5. Neglect of the **Insured** to use all reasonable means to save and preserve the covered property at and after any **loss**;
6. Unexplained **loss** or mysterious disappearance;
7. Voluntary parting with title or possession of any **covered property** by the **Insured** or others to whom the **covered property** may be entrusted whether or not induced to do so by any fraudulent scheme, trick, device or false pretense
8. Criminal acts, infidelity or dishonesty by **you**, **your** authorized representatives or any person or persons in **your** employ or service, or their agents, whether or not such act or acts occurred during the regular hours of employment or service, or any person or persons to whom **you** or **your** authorized representatives, including employees and servants, entrusts the **Covered Property**.
9. Abandonment of the covered property by the **Insured**, any person or persons in the employ of the **Insured** (whether or not such act or acts occurred during the regular hours of employment), or anyone entrusted with the **covered property**, including their agents or representatives.
10. **Loss** during illegal or illicit transportation.
11. Release or discharge or dispersal of toxic or hazardous substances, contaminants or pollutants, including the cost to remove, dispose, decontaminate or replace **covered property** which has been or may be contaminated by toxic or hazardous substances, contaminants or pollutants, whether or not required by law or civil authority to be restored, disposed of or decontaminated.
12. Organic pathogen, meaning any organic irritant or contaminant, including but not limited to fungus,

bacteria, virus, or other microorganism of any type including but not limited to their byproducts such as spores or mycotoxin, or any hazardous substances as classified by the EPA

VI. Deductible. Each claim resulting from any one **occurrence** shall be adjusted separately and from each adjusted claim or the applicable limit, whichever is less, the sum stated under the applicable deductible amount shown in Paragraph III or IV of the Declarations shall be deducted. **Insurer** shall have no obligations under this form until the claim exceeds the deductible.

VII. Limit of Loss. Subject to the coinsurance clause below, **we** will be liable for the least of the following:

- A.** Actual cash value of **covered property** at the point of shipment on the date of **loss**;
- B.** The **Insured's** legal liability under the bill of lading or shipping receipt;
- C.** The cost to repair, not including diminished value

but in no event for more than the indicated Limit of Liability shown in the Declarations for each **vehicle** or **terminal** and not to exceed the Limit of Loss shown in the Declarations for any claims arising out of any one **occurrence** involving (1) two or more **vehicles**; (2) one or more **terminals** and one or more **vehicles**; (3) any other combination or circumstance.

VIII. 100% Coinsurance. **We** shall not be liable under this policy for the **Insured's** liability for **loss** to **covered property** on any **vehicle** or at any **terminal** described in the Declarations for a greater percentage of the **loss** than the respective limit(s) applicable under this policy bears to the total value of the **covered property** on the **vehicle** or at the **terminal** at the time of the **loss**, whether or not it is damaged or lost.

IX. Substitution of Vehicles. When this policy is written on a scheduled **vehicle** basis as indicated in the Declarations, the **Insured** may substitute a similar nonowned **vehicle** for a scheduled **vehicle** at any time during the Policy Period provided such substituted **vehicle** is operated by the **Insured** and the

scheduled **vehicle** is inoperable. This clause will apply only if all **vehicles** owned or operated by the **Insured** are scheduled on this policy at the time the scheduled **vehicle** becomes inoperable. Failure to report all substitutions within seventy-two (72) hours of the substitution shall void coverage from inception for the substituted **vehicle**.

X. LIMITATIONS As Indicated on Declarations Page

A. Locked Vehicle Clause. **We** shall not be liable for **loss** to **covered property** caused by theft and/or vandalism unless the scheduled **vehicle**, including the attached trailer, shall be equipped with entirely enclosed bodies of good construction and completely locked with a key or combination lock. No claim for **loss** by theft and/or vandalism shall be valid unless there shall be visible evidence of violent forcible entry into the **vehicle**.

B. Unattended Vehicle Clause. **We** shall not be liable for **loss** to covered **property** caused by theft and/or vandalism unless at the time of the theft and/or vandalism a permanent employee or permanent agent of the **Insured** shall actually be in or on the **vehicle** or within five (5) feet of the **vehicle**.

C. Reproduction Cost Clause. As respects to printed materials and documents, coverage shall be limited to the actual cost to reproduce or replace such item. In no event shall **we** be liable for the face value of any document.

D. Cotton Gin Clause. **We** shall not be liable for **loss** to cotton caused by fire, unless the ginning of the cotton had been completed at least seventy-two (72) hours prior to acceptance by **you**.

E. Personal Property Clause. **We** shall not be liable for **loss** to personal property contained in vehicles or mobile homes being towed and/or hauled by the **Insured**, including, but not limited to, clothing, television, musical instruments, computers, cameras, jewelry, watches, furs, furniture, radios, non-built-in appliances and money.

XI. OPTIONAL COVERAGES As Indicated on Declarations Page – All optional coverages are subject to all terms and conditions of this policy.

- A. Tarpaulin Clause.** Exclusion V.B.3 is deleted when the **covered property** is completely and securely covered by waterproof tarpaulin.
- B. Refrigeration Breakdown Clause.** This policy, subject to the warranty set forth below, is extended to cover the **Insured's** liability for **loss to covered property** caused by sudden and accidental mechanical breakdown of refrigeration or heating units excluding, however, all **loss** caused by or resulting in or from the negligence of the **Insured**, its employees, or others in the direct service of the **Insured**, or lack of fuel, whether any other cause contributes to the **loss**.

You warrant that the refrigeration or heating units are operating within manufacturer's specifications at all times and the refrigeration or heating units are inspected every thirty days and written records of the inspection are maintained and open for the inspection by any authorized representative of this **Company** at all times during **your** normal business hours. Coverage shall be suspended for any unit during any period in which the unit is not in compliance with this warranty and the appropriate records have not been maintained. In no event shall this **Company** be liable for **loss** caused by or contributed to, in whole or part, the failure of the **Insured** to keep and maintain the refrigeration or heating units in full state of repair.

- C. Owners Goods Clause.** This policy is hereby extended to cover **loss to covered property** which is the property of the **Insured** while in the custody of the **Insured** and **in due course of transit** in or on **vehicles** described in the Declarations, excluding any and all **loss to covered property** while:

1. In or on the premises of the **Insured**;
2. In any garage or other building where the **vehicle** or **vehicles** herein described are usually kept.

Such covered property shall be valued at the lesser of actual cash value or original cost to the Insured.

XII. DEFINITIONS

- A. "Covered Property"** - Lawful goods and merchandise not otherwise excluded in paragraph V(A).
- B. "Due Course of Transit"** – From the time the **Covered Property** is in the exclusive custody and control of the insured for transportation and continuing while the **Covered Property** is actually moving to destination, including reasonable, ordinary and customary stops.
- C. "Loss"** - means direct and accidental physical damage or loss.
- D. "Occurrence"** - means **loss** which is attributable, directly or indirectly, to one cause or to one series of similar causes, or continuous or repeated exposure to substantially the same general harmful conditions.
- E. "Terminal"** – Any building(s), platforms, docks, sidetracks or grounds within the legal boundaries of the property.
- F. "Vehicle"** – A power unit specifically scheduled on the Declarations and any trailer while physically attached to the power unit, or a detached trailer specifically scheduled on the Declarations. If blanket coverage is provided, **vehicle** shall include all power units and trailers operated by **you**.
- G. "You"** and **"Your"** and **"Insured"** - means the person or organization shown as the named insured in the Declarations.
- H. "We"** and **"Us"** and **"Our"** and **"Company"** means the company providing the insurance which is identified on the declarations page.