

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

Italicised words have special meaning as defined below.

DEFINITIONS

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a) The words ***any one occurrence*** shall mean:

An incident or series of incidents during the *policy period* arising out of one event.

b) The word ***cargo*** shall mean:

All property or equipment not owned, hired or leased by or loaned to the Insured or by or to the agents or servants of the Insured, whilst being carried in and/or on a *truck*.

c) The words ***constant surveillance*** shall mean:

The *truck* and/or the *cargo* are viewed either directly by dedicated security personnel, or by remote system(s) placed specifically to observe the *truck* and/or the *cargo*, and which are constantly and continuously monitored by dedicated security personnel, where in the event of an attempted theft such security personnel are instructed to instigate immediate anti theft measures and are in close enough proximity to respond immediately to prevent the *truck* and/or the *cargo* being stolen.

d) The words ***earned freight charges*** shall mean:

Those charges earned by the Insured for the applicable transit, up to the occurrence of a loss recoverable under this policy. Reasonable expenses covered under General Condition Number 9, Protection of Salvage, contained herein, shall not be considered to be freight charges earned or otherwise.

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e) The word **electronics** shall mean:

All items of assembled consumer and commercial electrical appliances/equipment and unassembled electronic components, including but not limited to;

radios, televisions, computers (including peripherals), consoles, computer and/or gaming software, hard drives, chips, microchips, printed circuit boards and their components, modems, monitors, cameras, facsimile machines, telephones (including cellular), pagers, photocopiers, printers, scanners, batteries, PDAs, VCRs, HI-FIs or stereos (including speakers/components), compact discs, MP3s, DVDs, minidisks, digital players and/or recorders.

Battery operated or electrically operated toys with a unit value greater than USD75 shall be deemed to be *electronics*.

Heavy electrical items such as switchgear, turbines, and generators, or kitchen appliances such as washing machines, dishwashers, microwave ovens, toasters, and irons shall not be considered to be *electronics*.

f) The word **garments** shall mean:

All items of clothing including but not limited to innerwear and outerwear, footwear, shoes, boots, gloves and hats.

g) The words **named perils** shall mean:

i) Fire, lightning, or explosion.

ii) Accidental collision of the *truck* with any other vehicle or object.

iii) Overturning of the *truck*.

iv) Collapse of bridges or culverts.

v) Flood (meaning rise of streams or navigable waters).

vi) Cyclone, tornado, hurricane, hailstorm or windstorm.

vii) Theft.

viii) Stranding, collision, burning, grounding or sinking of a ferry while the *truck* is on board.

h) The words **policy period** shall mean:

From 00.01 A.M. on the first day stated in the Schedule to 00.01 A.M. on the last day stated in the Schedule, being Local Standard Time at the Insured's Head Office.

i) The words **power unit** shall mean:

A self-propelled commercial vehicle designed to haul *cargo*, which is licensed for use on public roads.

j) The words **securely parked** shall mean:

i) Garaged in a locked and/or guarded building, or parked in a fully enclosed yard which is securely closed and locked, or under *constant surveillance* or on a lot which is guarded by a security guard at all times,

AND

ii) the *truck* has all its openings closed and securely locked and all keys removed, in so far as local regulations permit.

k) The words **shipper's invoice** shall mean:

The invoice for the *cargo* from the shipper identified on the Bill of Lading/manifest and shall not include any invoice prepared by, for or on behalf of a transportation broker, consolidator, or other intermediary involved in the transportation.

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l) The word **truck** shall mean:

A *power unit*, trailer and semi-trailer, dolly or auxiliary wheels combined, or any combination of them, or any unidentified trailer, BUT ONLY whilst

i) the trailer is singularly attached to a covered *power unit*

OR

ii) the trailer was singularly attached to a covered *power unit*, but has been temporarily detached from such *power unit*, for a period not exceeding seventy two (72) consecutive hours (Sundays and public holidays excluded) AND whilst *securely parked*.

m) The words **unattended truck** shall mean:

A *truck* which has been left without a responsible person whose duty is to drive, guard, or attend the *truck* being either on, in, or within ten (10) yards of the *truck* at all times.

n) The words **critical violation(s)** shall mean:

i) Driving while intoxicated (DWI), implied consent, any suspension of the driver's license for failure to submit to alcohol testing,

ii) Driving under the influence (DUI), implied consent, any drug related violation or any suspension of the driver's license for failure to submit to drug testing

that has/have occurred within the three (3) years prior to the inception date of this policy or to the date of hire of the driver, **whichever is the later**.

o) The words **major violation(s)** shall mean:

i) Manslaughter or negligent homicide,

ii) Felony involving a motor vehicle,

iii) Racing,

iv) Hit and Run,

v) Reckless driving,

vi) License suspension for points,

vii) Driving while license suspended,

viii) Fleeing/eluding arrest,

ix) Multiple driver licenses not reported to the Underwriters,

x) Accident other than while driving a private passenger vehicle,

xi) Driving in excess of 100 miles per hour/160 kilometers per hour

that has/have occurred within the three (3) years prior to the inception date of this policy or to the date of hire of the driver, **whichever is the later**.

p) The words **minor violation(s)** shall mean:

Any moving violation(s) other than the *major violations* and *critical violations* listed above and the following non-moving violations:

i) Defective brakes,

ii) Defective equipment,

iii) Oversize or overweight

that has/have occurred within the three (3) years prior to the inception date of this policy or to the date of hire of the driver, **whichever is the later**.

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THIS INSURANCE IS SUBJECT TO ALL OF THE TERMS, CONDITIONS, LIMITS, PROVISIONS, EXCLUSIONS AND DEFINITIONS CONTAINED IN THE FOLLOWING WORDING AND ANY OPTIONAL ENDORSEMENTS STIPULATED AS BEING INCLUDED IN THE OPTIONAL ENDORSEMENTS SCHEDULE OF THIS FORM.

INSURING AGREEMENT

In consideration of the premium paid hereon and the particulars and statements contained in the written Proposal (a copy of which attaches hereto) which particulars and statements are warranted by the Insured to be true and are agreed by the Insured to be incorporated herein, the Underwriters hereby agree to indemnify the Insured, named in the Schedule on page 1 of this form (hereinafter "the Schedule"), for **ALL RISKS OF DIRECT PHYSICAL LOSS OF OR DIRECT PHYSICAL DAMAGE TO LAWFUL CARGO, FROM AN EXTERNAL CAUSE** (hereinafter "loss or damage") carried in and/or on a *truck* whilst in the Insured's care, custody or control in the ordinary course of transit, including loading and unloading, within the contiguous states of the USA, the District of Columbia and Canada.

The Underwriters shall also indemnify the Insured for loss of *earned freight charges* subject to the Limits of Liability clause contained herein.

LIMITS OF LIABILITY

The liability of the Underwriters for claims arising out of loss or damage to *cargo* carried in and/or on any one *truck* shall be limited to the *shipper's invoice* value of the damaged *cargo* but shall in no event exceed the sum set against item A of the Schedule (which sum shall include an amount up to but not exceeding USD2,500 in respect of *earned freight charges*) less the amount set against item C of the Schedule, BUT in respect of claims for theft of *cargo* carried in and/or on an *unattended truck* which is not *securely parked* the liability of the Underwriters shall be limited to the lesser of the sum set against item A of the Schedule or USD100,000, less the amount set against item C of the Schedule. In any event, for claims arising out of *any one occurrence*, the Underwriters shall not be liable for more than the sum set against item B of the Schedule, less the amount set against item C of the Schedule.

IT IS A CONDITION OF THIS POLICY THAT THE INSURED SHALL NOT CARRY INSURANCE OVER AND ABOVE THE LIMITS OF COVER PROVIDED BY THIS POLICY UNLESS AGREED IN WRITING BY THE UNDERWRITERS.

DEDUCTIBLE

In consideration of the reduced premium charged by the Underwriters, all claims for loss or damage to *cargo* arising out of *any one occurrence* shall be adjusted separately and, from the amount of each adjusted loss or the applicable Limit of Liability **whichever is less**, the sum set against item C of the Schedule shall be deducted, such amount to be uninsured and retained at the Insured's own risk.

EXCLUSIONS

This insurance shall not indemnify the Insured for:

- a) i) Loss or damage to accounts, bills, debts, evidence of debt, letters of credit, passports, documents, railroad or other tickets, notes, money, securities, currency, bullion, precious stones, jewelry and/or other similar valuable articles, paintings, statuary and other works of art, manuscripts, mechanical drawings.
- ii) Loss or damage to tobacco, cigars, cigarettes, pharmaceuticals, perfume, eau de toilette, non-ferrous metal in scrap and/or ingot form, furs, *garments*, *electronics*, all forms of alcohol intended for human consumption other than beer, seafood unless canned.
- iii) Loss or damage to household goods and/or personal effects, when forming part of a residential move or office relocation.
- iv) Loss of, injury to or death of live animals unless caused by or resulting from one or more *named perils*.

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- b) Loss or damage to *cargo* caused by or resulting from:
- i) mysterious disappearance including, but not limited to, unexplained shortages at delivery or deliveries that include shipper's load and count, or
 - ii) the infidelity, dishonesty or criminal act of the Insured, his employees, his agents or others to whom the *cargo* may be entrusted including operators under contract to the Insured, whether or not such act(s) occurred during the regular hours of employment.
- c) Loss or damage to *cargo* caused by spoilage, contamination, deterioration, freezing, rusting, water exposure in any form, electrical and/or mechanical failure or breakdown, and/or damage to refrigerated and/or temperature controlled *cargo* unless caused by or resulting from one or more *named perils*.
- d) Loss or damage to *cargo* caused by or resulting from mildew, moth, vermin, insufficiency of insulation or packing, failure to comply with the requirements of a Bill of Lading, *shipper's invoice* or manifest such as the necessity for straps or load locks, wear, tear, gradual deterioration, or natural loss in weight or volume.
- e) Loss or damage to *cargo* carried in and/or on an *unattended truck* unless the *truck*:
- i) has all its openings closed and securely locked AND
 - ii) all keys removed AND
 - iii) the theft was a result of forcible and/or violent entry of which there are visible signs.
- f) Loss or damage to *cargo* carried in and/or on a trailer or semi-trailer, which is detached from a *power unit* unless such trailer or semi-trailer is *securely parked*.
- g) Loss or damage to *cargo* otherwise recoverable under this policy unless the *power unit* is
- i) owned by the Insured, or leased pursuant to a written lease by him for his exclusive use or
 - ii) operated by an owner operator who is under written lease to the Insured for a period of thirty (30) consecutive days or more.
- h) Loss or damage to *cargo* otherwise recoverable under this policy unless the *power unit* is operated by a driver who at inception of this policy or at the date of hire, **whichever is the later**:
- i) is aged between twenty two (22) and seventy (70) years inclusive, and
 - ii) has no *critical violations*, and
 - iii) has no more than two (2) *major violations* **OR** five (5) *minor violations*, and
 - iv) has no more than one (1) *major violation* **AND** three (3) *minor violations*, and
 - v) has held a valid driver license for the *power unit* involved for at least twelve (12) months immediately prior to operations for which cover is required under this policy
- unless such driver has been accepted in writing by the Underwriters and endorsed on to this policy, with any additional premium paid as required by the Underwriters.
- i) Loss of *cargo* due to any voluntary act of the Insured, whether or not resulting from a third party's use of fraudulent documents, forged freight bills, interchange receipts, release orders, or other unauthorized form or unauthorized use of documents.
- j) Loss of market, delay, loss of use, clean up costs or any remote or consequential loss.
- k) Loss or damage to *cargo* caused by strikers, locked-out workmen, persons taking part in labor disturbances, riots or civil commotions.
- l) Loss or damage to goods or merchandise that are the property of the Insured.

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- m) Loss or damage to *cargo* caused by or resulting from:
- i) war, hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual impending or expected attack by:
 - a) any government or sovereign power (de jure or de facto); or
 - b) any authority maintaining or using military, naval or air forces; or
 - c) an agent of any such government, power, authority or forces.
 - ii) any weapon of war employing atomic fission or radioactive force whether in time of peace or war.
 - iii) insurrection, rebellion, revolution, civil war, usurped power, or action taken by government authority in hindering, combating, or defending against such occurrence, seizure or destruction under any quarantine or Customs regulations, confiscation by order of any government or public authority, or risks of contraband, illegal transportation or illegal trade.
 - iv) any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear. Also excluding loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.
- n) Loss or damage to *cargo* caused by or resulting from nuclear radiation, nuclear reaction or radioactive contamination whether controlled or uncontrolled, and whether such loss is direct or indirect, proximate or remote or is in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against by this policy.
- o) Loss or damage to *cargo* reasonably attributable to inherent vice, or any loss or damage to bales of cotton caused by fire, unless the ginning of the cotton has been completed at least seventy two (72) hours prior to the occurrence of the fire.
- p) Loss or damage, for which the Insured may be held legally liable, to *cargo* not carried in and/or on a *truck*.
- q) Loss or damage to *cargo* consequent upon or reasonably attributable to the insolvency, bankruptcy, or financial failure of the Insured.
- r) Loss or damage to *cargo* carried without charge by the Insured or as an accommodation on his part.

GENERAL CONDITIONS

- 1) **NOTICE TO THE UNDERWRITERS** - Upon the occurrence of any loss or damage to *cargo* claimed to be covered under this insurance, the Insured, or someone on his behalf, shall give immediate notification to the Underwriters as soon as practicable. In any event the Insured shall also give, not later than fifteen (15) days after the date the Insured receives notification, written notice thereof to the Underwriters. In the event of theft, larceny, robbery, pilferage or vandalism the Insured shall additionally give, as soon as is reasonably possible, notice to the police. The Insured shall not, except at his own expense, offer or pay any reward for recovery of the *cargo* for which he is liable.
- Failure by the Insured to notify the Underwriters and where applicable the police in accordance with the provisions of this clause shall invalidate any claim under this policy for such loss or damage.

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- 2) **IMPAIRMENT OF RECOVERY RIGHTS** - Any act or agreement by the Insured before or after the occurrence of loss or damage to *cargo*, whereby any right of the Insured and/or the Underwriters to recover in whole or in part for loss or damage to *cargo* insured under this policy against any carrier, baillee or other party is released or lost, shall invalidate any claim under this policy for such loss or damage. In any event, the right of the Underwriters to retain or recover the premium shall not be affected. The Underwriters shall not be liable for any loss or damage to *cargo* which, without their written agreement, has been settled or compromised by the Insured.
- 3) **PROOF OF LOSS** - The Insured shall forward to the Underwriters within sixty (60) days after the occurrence of loss or damage to *cargo*, unless such time is extended in writing by the Underwriters, a proof of loss statement in the form supplied by the Underwriters, signed and sworn to by the Insured, stating
- the place, time and cause of the loss or damage, and
 - the sound value of the *cargo* immediately prior to the loss or damage including all encumbrance thereon, and
 - the amount of loss or damage thereto, and
 - the details of all other insurance, whether valid or not, covering said *cargo*.

Failure by the Insured to notify the Underwriters within the time allowed by this clause shall invalidate any claim under this policy for such loss or damage.

- 4) **DUTY TO CO-OPERATE** - The Insured shall co-operate with the Underwriters and their authorized representative(s), and respond expeditiously to any request for information or documentation relating to the investigation or settlement of any claim under this policy. The Insured shall also produce for interview the driver and any employee(s) involved in the claim. The interview(s) shall take place at any reasonable time and place requested by the Underwriters, for the purpose of enquiry as to the facts and circumstances of the loss. If the driver or any employee involved is unable to converse in English, then the Insured at his own expense shall provide a certified interpreter to facilitate the interview.

Failure by the Insured to co-operate with the Underwriters and their authorized representative(s) and/or to produce for interview the driver and any involved employee(s) shall invalidate the claim under this policy.

- 5) **EXAMINATION UNDER OATH** - The Insured, as often as required, shall submit to examination under oath by any person designated by the Underwriters and in the event of an examination, the Insured's answers must be signed. As often as required, the Insured shall produce for examination all books of accounts, bills, invoices and other vouchers, or certified copies thereof if the originals are lost, at such reasonable place as may be designated by the Underwriters, and shall permit extracts and copies thereof to be made.

- 6) **DRIVERS AND SECURITY** - It is a condition of this policy that the Insured:
- shall obtain satisfactory references at the time of hire, and Motor Vehicle Records from reliable sources at the time of hire and not less than annually thereafter; and
 - shall keep records thereof in respect of all drivers; and
 - shall take all reasonable precautions for the protection and safeguarding of the *cargo* and use such security device(s) as may be specified in the Proposal; and
 - shall maintain all *trucks* and containers and such security device(s) in good order. Such device(s) shall be set into effective operation at all times and shall not be varied or withdrawn without the prior written agreement of the Underwriters.

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- 7) **SUBROGATION** - In the event of any payment by the Underwriters of a claim under this policy for loss or damage, the Underwriters shall be subrogated to all of the Insured's rights of recovery against any person or organization. The Underwriters shall have the right to bring suit for such recovery, at the Underwriters' expense, in the name of the Insured for the amount of the Underwriters' payment plus any interest and expenses or, at the sole option of the Underwriters, bring an action in the name of the Insured to recover the amount of the entire loss including any deductible plus any interest and expenses. Any recovery after deduction of expenses shall be shared by the Underwriters and the Insured in the same proportion as they shall have shared the loss.

The Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such subrogation rights, and shall render all reasonable assistance in the prosecution of all actions to recover the loss including, but not limited to, attendance of witnesses for discovery and at trial. The Insured shall do nothing after the occurrence of the loss or damage to prejudice the Underwriters' subrogation rights.

- 8) **CO-INSURANCE** - The Underwriters shall not be liable for a greater proportion of any loss or damage to the total *cargo* than the amount of the applicable insurance bears to the total value of all *cargo* at the time and place of the loss.

For example:	Loss	USD	20,000	
	Truck limit	USD	100,000	
	Total value of all <i>cargo</i>	USD	200,000	
	Deductible	USD	1,000	
So	<u>Truck limit</u>	USD	<u>100,000</u>	= 50%
	Total value of all <i>cargo</i>	USD	200,000	
	Therefore	USD	20,000 Loss x 50% =	USD 10,000
			Less deductible	USD 1,000
			Underwriters will pay	USD 9,000

- 9) **PROTECTION OF SALVAGE** - In the event of any loss or damage to *cargo* whether insured under this policy or not, the Insured shall protect the *cargo* from other or further loss or damage. Any such other or further loss or damage due directly or indirectly to the Insured's failure to protect the *cargo* shall not be recoverable under this policy. Any act of the Insured or of the Underwriters in recovering, saving or preserving the *cargo* shall be considered as done for the benefit of all concerned and without prejudice to the rights of any party.

If the loss or damage to *cargo* is recoverable under this policy, all reasonable expenses thus incurred by the Insured shall also be recoverable under this policy, provided the total of such expenses **and** the claim for loss or damage to *cargo* does not exceed **the lesser of**

- a) the value of the *cargo* plus USD10,000 or
 - b) the Limit of Liability under this policy,
- less the applicable policy deductible(s).

There shall be no coverage afforded by this insurance for the costs of recovering, saving, preserving or storing *cargo* that has not sustained loss or damage which is covered by this insurance.

- 10) **OTHER INSURANCE** - If at the time of loss or damage to *cargo* there is available to the Insured or any other interested party any other insurance which would apply in the absence of this insurance, the coverage afforded by this insurance shall apply only as excess insurance over such other insurance.
- 11) **PRIVILEGE TO ADJUST WITH OWNER** - In the event of loss or damage to property of others held by the Insured for which a claim is made under this policy, the right to adjust such loss or damage with the owner or owners of the property is reserved to the Underwriters and the receipt of such owner or owners in satisfaction thereof shall be in full satisfaction of any claim of the Insured for which such payment by the Underwriters has been made.
- 12) **DUTY TO DEFEND** - If legal proceedings are taken to enforce a claim against the Insured for any loss or damage, the Underwriters reserve the right, at their sole option without expense to the Insured, to conduct and control the defense on behalf of and in the name of the Insured. No action of the Underwriters in such regard shall increase the liability of the Underwriters under this policy, nor increase the Limits of Liability specified in this policy.

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- 13) **ASSIGNMENT OF POLICY** - This policy shall be void if assigned or transferred without the prior written agreement of the Underwriters.
- 14) **CONFLICTING STATUTORY PROVISIONS** - If any condition or agreement or any other part of this insurance is at variance with any specific Federal provision or statutory provision in the State or Province having jurisdiction, such specific Federal or statutory provision shall be substituted for such condition, agreement or part.
- 15) **REIMBURSEMENT** - The Insured shall reimburse the Underwriters, within ten (10) days from the time the Insured shall be advised thereof, all sums that the Underwriters have paid and/or which the Underwriters would not have been required to pay except for the attachment to this policy of any Federal, State or Provincial endorsement or any other endorsement or certificate of insurance. The Underwriters shall have the right to deduct from loss payments or returns of premium due under this policy all sums due to the Underwriters for reimbursement under this provision as well as all sums due from the Insured for any reason including, but not limited to, premiums owed to the Underwriters and deductibles paid directly by the Underwriters.
- 16) **MISREPRESENTATION AND FRAUD** - This entire insurance shall be void if the Insured has concealed or misrepresented any material fact or circumstance (whether intentional or not) concerning this insurance or the subject matter thereof, or, in case of any fraud, attempted fraud or false oath by the Insured, touching any matter relating to this insurance or the subject matter thereof, whether before or after any loss.
- 17) **AUTHORIZATION OF ENDORSEMENTS** - No endorsement other than any Federal, State, Provincial or statutory endorsements shall form part of this insurance unless authorized in writing by the Underwriters.
- 18) **ABANDONMENT** - Under no circumstances shall there be abandonment of any *cargo* by the Insured to the Underwriters.
- 19) **VALUATION** - The valuation of the *cargo* shall not exceed the *shipper's invoice* value of the *cargo* at the point of shipment, or if there is no *shipper's invoice*, then the valuation shall not exceed the actual cash value of the *cargo* on the date of the loss or damage to the *cargo*. Valuation of *cargo* in an inter-company transfer is further limited to the inventory value maintained by the shipper.
- 20) **CANCELLATION** - This insurance may be cancelled by the Insured by surrender of this policy or by mailing to the Underwriters written notice stating when thereafter such cancellation shall be effective. This insurance may be cancelled by the Underwriters by mailing to the Insured at the address shown in this insurance, written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective. Such mailing of notice shall be sufficient proof of notice and the effective date and hour of cancellation stated in the notice shall become the end of the *policy period*. Delivery of such written notice either by the Insured or by the Underwriters shall be equivalent to mailing.
- If the Insured cancels this insurance in accordance with the provisions of this clause, earned premium shall be computed in accordance with the short rate cancellation table below. If the Underwriters cancel this insurance in accordance with the provisions of this clause, earned premium shall be computed pro rata. Premium adjustment may be made at the time cancellation is effected and, if not then made, shall be made as soon as practicable after cancellation becomes effective. The Underwriters may retain the premium refund until such time as the Insured has paid all deductibles and all sums which the Underwriters determine they may be required to pay but would not have been required to pay except for the attachment to this policy of any Federal, State or Provincial endorsement or any other endorsement or certificate of insurance. The Underwriters' check or the check of their representative mailed or delivered in accordance with the provisions of this clause shall be a sufficient tender of any refund of premium due to the Insured.

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SHORT RATE CANCELLATION TABLE:

a) For insurances written for one year:

Days insurance is in force	Percentage of one year's premium	Days insurance is in force	Percentage of one year's premium
1	5	154 - 156	53
2	6	157 - 160	54
3 - 4	7	161 - 164	55
5 - 6	8	165 - 167	56
7 - 8	9	168 - 171	57
9 - 10	10	172 - 175	58
11 - 12	11	176 - 178	59
13 - 14	12	179 - 182	60
15 - 16	13	183 - 187	61
17 - 18	14	188 - 191	62
19 - 20	15	192 - 196	63
21 - 22	16	197 - 200	64
23 - 25	17	201 - 205	65
26 - 29	18	206 - 209	66
30 - 32	19	210 - 214	67
33 - 36	20	215 - 218	68
37 - 40	21	219 - 223	69
41 - 43	22	224 - 228	70
44 - 47	23	229 - 232	71
48 - 51	24	233 - 237	72
52 - 54	25	238 - 241	73
55 - 58	26	242 - 246	74
59 - 62	27	247 - 250	75
63 - 65	28	251 - 255	76
66 - 69	29	256 - 260	77
70 - 73	30	261 - 264	78
74 - 76	31	265 - 269	79
77 - 80	32	270 - 273	80
81 - 83	33	274 - 278	81
84 - 87	34	279 - 282	82
88 - 91	35	283 - 287	83
92 - 94	36	288 - 291	84
95 - 98	37	292 - 296	85
99 - 102	38	297 - 301	86
103 - 105	39	302 - 305	87
106 - 109	40	306 - 310	88
110 - 113	41	311 - 314	89
114 - 116	42	315 - 319	90
117 - 120	43	320 - 323	91
121 - 124	44	324 - 328	92
125 - 127	45	329 - 332	93
128 - 131	46	333 - 337	94
132 - 135	47	338 - 342	95
136 - 138	48	343 - 346	96
139 - 142	49	347 - 351	97
143 - 146	50	352 - 355	98
147 - 149	51	356 - 360	99
150 - 153	52	361 - 365	100

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- b) For insurances written for more or less than one year:
- i) If insurance has been in force for twelve (12) months or less, the short rate cancellation table for annual insurances shall be applied to the full annual premium determined as for an insurance written for a term of one year.
 - ii) If insurance has been in force for more than twelve (12) months:
 - 1) The full annual premium as for an insurance written for a term of one year shall be determined;
 - 2) Such premium shall be deducted from the full insurance premium, and on the remainder the pro rata earned premium shall be calculated on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally underwritten;
 - 3) Premium produced in accordance with items (a) and (b) shall be added to obtain the earned premium during the full period for which the insurance has been in force.

21) **REPORTING** - The Insured agrees to keep an accurate record of the gross receipts (either collected or uncollected) from his trucking business during the *policy period* and to report to the Underwriters or their authorized agent, not later than the twentieth (20th) day subsequent to the expiry date of this policy, the full amount of such gross receipts (either collected or uncollected) during the preceding annual period, or such time as is within the *policy period*.

For the purposes of this insurance the term 'gross receipts', wherever used in this policy, shall mean the actual charges for transportation of lawful *cargo* from original location to destination plus charges for other services in connection with such transportation less any net payments to connecting carriers, but including any payments to lease carriers, contractors or owner operators.

The Insured agrees that any authorized representative of the Underwriters shall be permitted to examine the Insured's books, records and such policies as relate to the Insured's trucking business at all reasonable times during the *policy period* and for thirty six (36) months after expiration or termination of this policy. Such examination(s) shall not waive nor in any manner affect any of the terms, conditions or limitations of this policy. The furnishing of any statement of gross receipts by the Insured, or payment of premium and its acceptance by the Underwriters shall not constitute a waiver of the Underwriters' rights to such examination(s) or rights to any additional premiums which may have been earned.

22) **SERVICE OF SUIT** - It is agreed that in the event of the failure of the Underwriters to pay any amount claimed to be due under this policy, the Underwriters, at the request of the Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon:

All States other than California:

Wilson, Elser, Moskowitz, Edelman & Dicker LLP
The Curtis Center, Suite 1130E
Independence Square West
Philadelphia, PA 19106

California:

Wilson, Elser, Moskowitz, Edelman & Dicker LLP
650 California Street, 14th Floor
San Francisco, CA 94108-2702

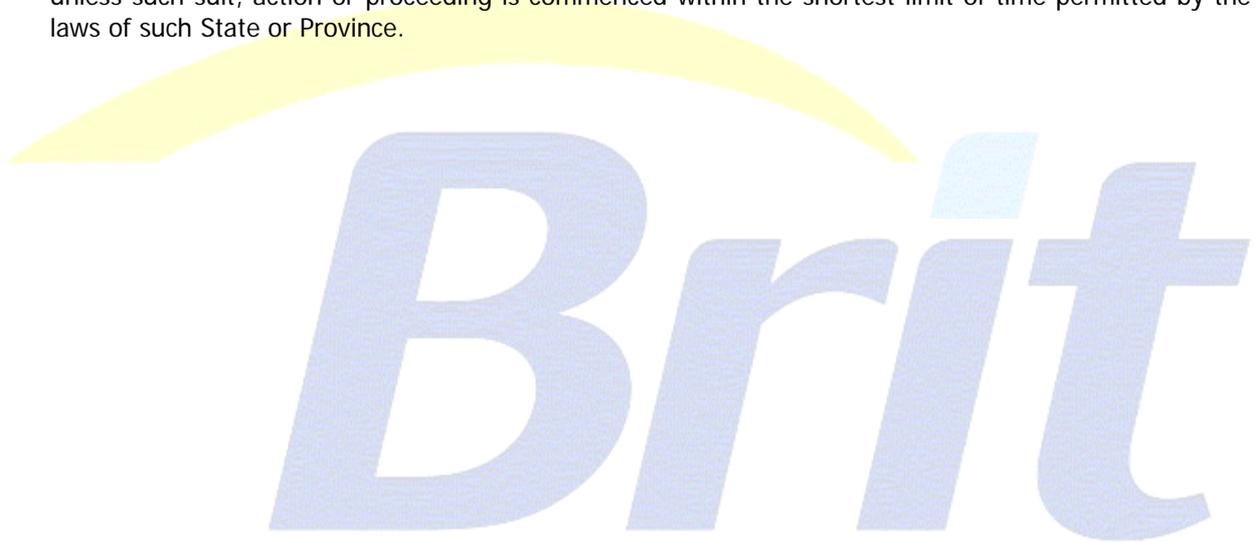
and that in any suit instituted against any one of them upon this contract, the Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

The above-named are authorized and directed to accept service of process on behalf of the Underwriters in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon the Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any State, Territory or District of the United States which makes provision therefor, the Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

- 23) **CHOICE OF LAW AND TIME LIMIT FOR SUIT** - Any dispute concerning the interpretation of this policy shall be governed by the laws of the State or Province of the Insured's head office. No suit, action or proceeding for the recovery of any claim under this policy shall be sustainable in any court of law of equity unless the same is commenced within twenty four (24) months next after discovery by the Insured of the occurrence which gives rise to the loss, provided however that if by the laws of the State or Province of the Insured's head office such limitation is invalid, then any such claim shall be void unless such suit, action or proceeding is commenced within the shortest limit of time permitted by the laws of such State or Province.



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OPTIONAL ENDORSEMENTS

The following endorsements **DO NOT APPLY UNLESS STIPULATED AS BEING INCLUDED IN THE OPTIONAL ENDORSEMENTS SCHEDULE OF THIS FORM** (hereinafter "the optional endorsements Schedule") **OR ADDED TO THE OPTIONAL ENDORSEMENTS SCHEDULE BY ENDORSEMENT PRIOR TO THE TIME OF THE LOSS.**

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- 3 Riggers Endorsement
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- 5 Debris Removal Endorsement
- 6 Less Than Trailer Load Endorsement (72 Hours Off Truck Cover)
- 7 Trailer Interchange Endorsement
- 8 Trailer Interchange Including Whilst Unattached At Named Terminals Endorsement
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- 15 On Hook Endorsement
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1) IN FULL PREMIUM ENDORSEMENT (SCHEDULED TRUCK(S) POLICY)

The Insuring Agreement of this policy is amended as follows:

INSURING AGREEMENT

In consideration of the premium paid hereon and the particulars and statements contained in the written Proposal (a copy of which attaches hereto), which particulars and statements are warranted by the Insured to be true and are agreed by the Insured to be incorporated herein, the Underwriters hereby agree to indemnify the Insured, named in the Schedule on page 1 of this form (hereinafter "the Schedule"), for **ALL RISKS OF DIRECT PHYSICAL LOSS OF OR DIRECT PHYSICAL DAMAGE TO LAWFUL CARGO, FROM AN EXTERNAL CAUSE** (hereinafter "loss or damage") carried in and/or on a *truck*, for which the *power unit* **is listed on the optional endorsements Schedule attaching to this policy.** whilst in the Insured's care, custody or control in the ordinary course of transit, including loading and unloading, within the contiguous states of the USA, the District of Columbia and Canada.

If the Insured acquires ownership of another *truck*, such coverage as is afforded by this insurance shall be extended to cover the Insured's liability for loss or damage to *cargo* carried in and/or on such other *truck* from the date of delivery of such other *truck*, in accordance with the following provisions:-

- a) If the Underwriters insure the liability for loss or damage to *cargo* carried in and/or on all *trucks* owned by the Insured at the date of such delivery, this insurance shall automatically apply to such other *truck* provided that:
 - i) it is used for the business of the Insured and only to the extent applicable to all such owned *trucks* currently or previously specified in the In Full Premium Endorsement AND
 - ii) the Insured notifies the Underwriters within five (5) working days following the date of delivery of the newly acquired *truck* that coverage for liability to *cargo* is required AND
 - iii) the Insured pays any additional premium required by the Underwriters.

In the event that the Insured fails to notify the Underwriters in accordance with the provisions of this endorsement, then this automatic coverage in respect of the newly acquired *truck* lapses upon the expiry of the fifth (5th) working day after the delivery thereof or the expiry of the *policy period* if sooner.

- b) If the Underwriters do not insure the liability of the Insured for loss or damage to *cargo* on all *trucks* owned by the Insured at the date of such delivery, then no cover shall apply to the newly acquired truck until coverage is confirmed in writing by the Underwriters.

The Underwriters shall also indemnify the Insured for loss of *earned freight charges* subject to the Limits of Liability clause contained herein.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

2) REFRIGERATION BREAKDOWN ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, irrespective of Exclusion c), this policy is extended to cover the legal liability of the Insured for loss or damage to refrigerated and/or temperature controlled *cargo* when such loss or damage is CONCLUSIVELY PROVEN, to the satisfaction of the Underwriters, to have been caused by mechanical failure of or breakdown of the refrigeration or heating machinery including thermostats and control units (hereinafter "equipment") resulting in failure to deliver the correct temperature controlled air to the vents or ducts through which the temperature controlled air passes into the trailer or container. The cover provided by this endorsement does not insure against such failure or breakdown reasonably attributable to any of the following:

- a) Failure to provide adequate fuel supply, or exhaustion thereof for any reason.
- b) Failure of air to reach any vent or duct through which the temperature controlled air passes into the trailer or container due to the blockage of any vent or duct unless the blockage of the vent or duct is reasonably attributable to build up of water or ice caused by a defect in the equipment.
- c) Failure of air to circulate due to incorrectly stowed *cargo* causing improper circulation of air.
- d) Failure to set correctly the controls for the equipment.
- e) Failure to maintain crankcase oil level within the manufacturer's specified limits.
- f) Failure to maintain an adequate level of refrigerant in accordance with the manufacturer's specifications.
- g) Wilful destruction of or damage to the equipment by an employee of the Insured or any other person(s).
- h) Mechanical failure of or breakdown of any equipment which is in excess of twenty (20) years of age, computed from the model year of the equipment.

The Insured warrants that the equipment shall be serviced and maintained by a duly qualified service technician in the Insured's employ or manufacturer's authorized service representative(s) as follows:

- i) In respect of equipment under ten (10) years old computed from the model year of the equipment – service, inspection and maintenance is required in accordance with the manufacturer's recommendations or every one thousand (1,000) hours of use or every ninety (90) days, **whichever is the lesser**,
- ii) In respect of equipment over ten (10) years old computed from the model year of the equipment – service, inspection and maintenance is required in accordance with the manufacturer's recommendations or every thirty (30) days, **whichever is the lesser**,

AND

verifiable records shall be maintained by the Insured of such service and maintenance operations and inspections. Such records shall be open to the inspection of any authorized representative of the Underwriters at all times during the normal business hours of the Insured.

Failure by the Insured to maintain such records shall invalidate any claim under this endorsement.

The deductible in respect of any loss recoverable under this endorsement shall be the sum stated in the optional endorsements Schedule, but an additional deductible of USD1,000 shall apply to any loss covered by this endorsement where the equipment is over ten (10) years old, computed from the model year of the equipment.

All other terms and conditions of this policy shall remain unchanged.

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3) **RIGGERS ENDORSEMENT**

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the legal liability of the Insured for loss or damage to *cargo* whilst in the care, custody or control of the Insured and directly resulting from the accidental dropping or slipping of the *cargo* from slings, hoists, skids or other tackle or rigging whilst being loaded, unloaded, hoisted or lowered by the Insured, but in no event shall the Underwriters be liable for any amount exceeding the sum stated in the optional endorsements Schedule for losses arising out of *any one occurrence*.

The Insured warrants that competent riggers and adequate transportation and loading and unloading equipment shall be used and that weight shall not exceed the registered or manufacturer's guaranteed lifting or weight capacity of any equipment, including ropes, cables, block and tackle.

Failure by the Insured to comply with this warranty shall invalidate any claim under this endorsement.

Each claim for loss or damage to *cargo*, subject to the provisions of this endorsement, shall be adjusted separately and from the amount of each such adjusted claim, the sum stated as the deductible in the optional endorsements Schedule shall be deducted.

All other terms and conditions of this policy shall remain unchanged.

4) **CONTINGENT TRANSIT ENDORSEMENT (TRUCK BROKERING)**

For the purpose of this endorsement the word "subcontractor" shall mean the motor carrier which physically transports the *cargo*.

In consideration of the additional premium charged by the Underwriters, and irrespective of Exclusions g) and h), this policy is extended to cover the liability of the Insured otherwise recoverable under this policy, where the Insured is acting as a truck broker contracting deliveries to subcontractors. Subject otherwise to the terms, conditions, limits, exclusions and provisions of this policy, and the following further conditions:

- a) the Insured shall obtain written evidence of each subcontractor's current Motor Truck Cargo legal liability insurance policy(ies), which must include details of the period of such policy(ies) and the conditions, exclusions, limits and deductibles contained therein, prior to commencing operations with that subcontractor, and on an annual basis thereafter, and that
- b) this written evidence shall show that the subcontractor's Motor Truck Cargo legal liability insurance policy(ies) is/are in effect at the time the *cargo* is transported, and shall include a statement to the effect that the insurer(s) thereof will endeavor to advise the Insured in the event that the policy(ies) is/are cancelled.

Coverage under this endorsement is contingent on the failure of the Motor Truck Cargo legal liability insurance policy(ies) of the subcontractor to respond to a claim because:

- i) the policy(ies) has/have been avoided, cancelled or suspended without the knowledge of the Insured,
- ii) the policy(ies) is/are bogus or illegal, or
- iii) the insurer(s) of the policy(ies) is/are insolvent.

The amount recoverable under this endorsement shall not replace, be in excess of, nor contribute with, the subcontractor's Motor Truck Cargo legal liability insurance policy(ies), and is also subject to and limited by the terms, conditions, limits, exclusions and provisions thereof including any endorsement(s) thereto.

The Underwriters shall only be liable for the payment of any claims under this endorsement after the Insured has made all reasonable and proper efforts to collect the amount of the claim from the subcontractor and its insurer(s).

"Reasonable and proper efforts to collect the amount of the claim" shall mean that the Insured shall have complied with the requirements of the Bill of Lading or other contract under which the *cargo* was transported, and shall also have complied with all other procedures required for the filing of a claim against the subcontractor and its insurer(s).

In no event shall the Underwriters be liable for loss or damage to any *cargo* until the ninetieth (90th) day subsequent to the date the loss or damage occurred.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

5) **DEBRIS REMOVAL ENDORSEMENT**

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the legal liability of the Insured for the costs of removal of the debris of *cargo* when necessarily incurred by the Insured in connection with a loss otherwise recoverable under this policy.

In respect of removal of debris of *cargo* of livestock this shall extend to cover:

- a) removal of the carcass(es) of covered livestock;
- b) recovery of the covered livestock which have escaped or strayed;
- c) transporting of remaining animals either to a point of sale or a location of safe keeping from the location where the covered loss occurred;
- d) the cost of keeping and feeding the remaining live animals, including veterinarian fees and medications to maintain market value and thus mitigate the loss, if immediate sale is not cost effective,

but only when incurred by the Insured as a result of loss or damage which is recoverable under this policy.

The liability of the Underwriters under this endorsement shall be limited to the sum stated in the optional endorsements Schedule but, in any event, the maximum liability of the Underwriters arising out of *any one occurrence* shall be in accordance with the Limits of Liability clause contained in this policy. Nothing in this endorsement shall extend coverage under this policy to include the liability of the Insured for environmental clean up costs or similar expenses.

All other terms and conditions of this policy shall remain unchanged.

6) **LESS THAN TRAILER LOAD ENDORSEMENT (72 HOURS OFF TRUCK COVER)**

In consideration of the additional premium charged by the Underwriters, irrespective of Exclusions g) or p), this policy is extended to cover the liability of the Insured for *cargo* otherwise covered under this policy whilst unloaded, pending transfer, in a terminal named in the optional endorsements Schedule and held thereat:

- a) in a locked and/or guarded building, or
- b) in a fully enclosed yard which is securely closed and locked, or
- c) under *constant surveillance*, or
- d) on a guarded lot.

Coverage under this endorsement shall apply for a period not exceeding seventy two (72) consecutive hours after unloading has been completed (Sundays and public holidays excluded).

The limit of liability of the Underwriters under this endorsement shall be as stated in the optional endorsements Schedule, but always subject to the Loss Limit as stated in item B of the Schedule.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

7) TRAILER INTERCHANGE ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the legal liability of the Insured for loss or damage to any non-owned trailer under a written trailer interchange agreement. For the purposes of this endorsement, non-owned trailer shall include any container(s) where such container(s) is/are on the trailer AND included within the trailer interchange agreement.

The liability of the Underwriters under this endorsement shall be subject to the terms, conditions and exclusions of this policy and shall further exclude:

- a) Loss of or damage to tires unless damaged by fire or stolen or unless lost or damaged in an accidental collision or overturn which also causes other damage to the non-owned trailer.
- b) Loss or damage to any non-owned trailer which is due to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such damage is the result of any other loss covered by this insurance.
- c) Loss suffered by the Insured as the result of voluntarily parting with title or possession, whether or not induced so to do by any fraudulent scheme, trick, device or false pretense.
- d) The theft, robbery or pilferage of tools or repair equipment except in conjunction with the theft of an entire non-owned trailer.
- e) The wrongful conversion, embezzlement or secretion by a mortgagee, vendee, lessee or other person in lawful possession of the insured property under a mortgage, conditional sale, lease or other contract or agreement, whether written or verbal.
- f) Loss of or damage to any non-owned trailer occurring whilst such trailer is not attached to a covered *power unit*.

The Insured warrants that verifiable records shall be maintained by the Insured of every trailer interchange. Such records shall be open to the inspection of any authorized representative of the Underwriters at all times during the normal business hours of the Insured.

Failure by the Insured to maintain such records shall invalidate any claim under this endorsement.

The limit of liability of the Underwriters in respect of any one non-owned trailer shall be the sum stated in the optional endorsements Schedule. In the event that the actual value of the non-owned trailer insured under this endorsement exceeds that sum, then the Underwriters shall not be liable for a greater proportion of any loss or damage to such trailer than the actual value of the trailer bears to that sum.

The total limit of liability of the Underwriters under this endorsement shall not exceed the sum stated in the optional endorsements Schedule arising out of any one loss, but the overall liability of the Underwriters in respect of a loss involving more than one section of this policy shall not exceed the Loss Limit, being the sum as stated in Item B of the Schedule.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

8) TRAILER INTERCHANGE INCLUDING WHILST UNATTACHED AT NAMED TERMINALS ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the legal liability of the Insured for loss or damage to any non-owned trailer under a written trailer interchange agreement. For the purpose of this endorsement, non-owned trailer shall include any container(s) where such container(s) is/are on the trailer AND included within the trailer interchange agreement.

The liability of the Underwriters under this endorsement shall be subject to the terms, conditions and exclusions of this policy and shall further exclude:

- a) Loss of or damage to tires unless damaged by fire or stolen or unless lost or damaged in an accidental collision or overturn which also causes other damage to the non-owned trailer.
- b) Loss or damage to any non-owned trailer which is due to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such loss or damage is the result of any other loss covered by this insurance.
- c) Loss suffered by the Insured as the result of voluntarily parting with title or possession, whether or not induced so to do by any fraudulent scheme, trick, device or false pretense.
- d) The theft, robbery or pilferage of tools or repair equipment except in conjunction with the theft of an entire non-owned trailer.
- e) The wrongful conversion, embezzlement or secretion by a mortgagee, vendee, lessee or other person in lawful possession of the insured property under a mortgage, conditional sale, lease or other contract or agreement, whether written or verbal.
- f) Loss of or damage to any non-owned trailer occurring whilst such trailer is not attached to a *power unit* unless at the time of the loss the trailer is *securely parked* at a terminal named in the optional endorsements Schedule.

The Insured warrants that verifiable records shall be maintained by the Insured of every trailer interchange. Such records shall be open to the inspection of any authorized representative of the Underwriters at all times during the normal business hours of the Insured.

Failure by the Insured to maintain such records shall invalidate any claim under this endorsement.

The limit of liability of the Underwriters in respect of any one non-owned trailer shall be the sum stated in the optional endorsements Schedule. In the event that the actual value of the non-owned trailer insured under this endorsement exceeds that sum, then the Underwriters shall not be liable for a greater proportion of any loss or damage to such trailer than the actual value of the trailer bears to that sum.

The total limit of liability of the Underwriters under this endorsement shall not exceed the sum stated in the optional endorsements Schedule arising out of any one loss, but the overall liability of the Underwriters in respect of a loss involving more than one section of this policy shall not exceed the Loss Limit, being the sum set against Item B of the Schedule.

All other terms and conditions of this policy shall remain unchanged.

9) TARGET INTEREST INCLUSION ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, the interests stated in the optional endorsements Schedule are deleted from Exclusion a)i), a)ii) or a)iii) in this policy.

This endorsement shall not extend this policy to cover the liability of the Insured for theft from an *unattended truck* of the interests stated in the optional endorsements Schedule unless the *truck* is *securely parked*.

The limit of liability of the Underwriters under this endorsement in respect of any one claim for theft of the interests stated in the optional endorsements Schedule shall be the sum stated therein less the deductible stated therein, applicable to any one claim for theft of such interests.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

10) **DRIVER INCLUSION ENDORSEMENT**

In consideration of the additional premium charged by the Underwriters and/or the increased deductible required by the Underwriters in respect of claims involving a specified driver, Exclusion h) shall not apply to the driver(s) who is/are **listed on the optional endorsements Schedule attaching to this policy.**

All other terms and conditions of this policy shall remain unchanged.

11) **ALASKA ENDORSEMENT**

In consideration of the additional premium charged by the Underwriters, the geographical limits contained in the Insuring Agreement of this policy are extended to include Alaska but excluding the Dalton Highway between Fairbanks, Alaska and Prudhoe Bay, Alaska.

All other terms and conditions of this policy shall remain unchanged.

12) **ADDITIONAL INSURED ENDORSEMENT**

The Underwriters agree to include an Additional Insured as detailed in the optional endorsements Schedule attaching to this policy, provided the liability of the Underwriters is not thereby increased, but only in respect of work done for the Additional Insured by the Insured and only in respect of any loss or damage that would have been recoverable under this policy in the absence of this endorsement.

Coverage for any Additional Insured shall only be provided by an endorsement to this policy issued by the Underwriters or their authorized Correspondent.

If this policy is cancelled prior to its expiry date, the Underwriters shall endeavour to provide thirty (30) days written notice thereof to the Additional Insured. Failure to do so shall impose no obligation or liability of any kind whatsoever upon the Underwriters, their agents or their representatives.

All other terms and conditions of this policy shall remain unchanged.

13) **CONTAINER ENDORSEMENT**

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the liability of the Insured for direct physical loss of or direct physical damage to any container whilst being hauled on a *truck* that is covered for liability to *cargo* under this policy, in addition to the sum set against item A of the Schedule.

The limit of liability of the Underwriters in respect of any one container shall be the sum stated in the optional endorsements Schedule.

The total limit of liability of the Underwriters under this endorsement shall not exceed the sum stated in the optional endorsements Schedule arising out of any one loss, but the overall liability of the Underwriters in respect of a loss involving more than one section of this policy shall not exceed the Loss Limit, being the sum set against item B of the Schedule.

All other terms and conditions of this policy shall remain unchanged.

14) **DOUBLE/TRIPLE WIDE MOBILE HOME ENDORSEMENT**

In consideration of the additional premium charged by the Underwriters, in the event of loss or damage covered under this policy to a section of a double or triple wide mobile home, and where it is not economically possible to repair or replace the damage thereby giving rise to a constructive total loss of the mobile home, this policy is extended to cover the loss in value of the undamaged section(s) of the double or triple wide mobile home.

In the event of such a claim under this policy, the deductible, being the sum set against item C of the Schedule, shall apply separately to each section of the double or triple wide mobile home but for a total deductible of not more than the sum stated in the optional endorsements Schedule.

The total limit of liability of the Underwriters under this endorsement shall not exceed the limits of liability being the sums set against items A and B of the Schedule.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

15) ON HOOK ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the liability of the Insured for direct physical loss of or direct physical damage to:

- a) any vehicle which is singularly attached to a *power unit* which is insured for liability to *cargo* under this policy, and
- b) the *cargo* carried in and/or on any such vehicle,

BUT EXCLUDING:

- i) Loss or damage to the transmission system of any towed vehicle unless such loss or damage is caused by an accidental collision or overturn whilst being towed.
- ii) Loss of or damage to tires unless damaged by fire or stolen or unless lost or damaged in an accidental collision or overturn which also causes other damage to the vehicle.
- iii) Loss or damage to any vehicle which is due to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such loss or damage is the result of any other loss covered by this insurance.
- iv) Loss suffered by the Insured as the result of voluntarily parting with title or possession, whether or not induced so to do by any fraudulent scheme, trick, device or false pretense.
- v) The theft, robbery or pilferage of tools or repair equipment except in conjunction with the theft of an entire vehicle.
- vi) Vehicles owned by or leased to the Insured, or under a written trailer interchange agreement with the Insured.

The liability of the Underwriters under this endorsement shall be limited to the sum set against item A of the Schedule less the amount set against item C in the Schedule.

All other terms and conditions of this policy shall remain unchanged.

16) NAMED TERMINALS EXTENSION FOR ON HOOK ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the liability of the Insured for direct physical loss of or direct physical damage resulting from *named perils* during the *policy period* to:

- a) any vehicle covered under the On Hook Endorsement attaching to this policy when such vehicle was attached to a *power unit*, whilst detached from said *power unit*, and provided such vehicle has all its openings closed and securely locked and all keys removed, in so far as local regulations permit, and
- b) *cargo* whilst loaded in and/or on any such vehicle, and
- c) *cargo* whilst temporarily unloaded from any such vehicle for a period not exceeding seventy two (72) consecutive hours (Sundays and public holidays excluded),

but only whilst in a terminal named in the optional endorsements Schedule and held thereat

- i) in a locked and/or guarded building, or
- ii) in a fully enclosed yard which is securely closed and locked, or
- iii) under *constant surveillance*, or
- iv) on a guarded lot.

The liability of the Underwriters under this endorsement shall be limited to the sum set against the terminal named in the optional endorsements Schedule. However in any event, the total liability of the Underwriters for any loss under this policy shall not exceed the sum set against item B of the Schedule less the amount of the deductible being the sum set against item C of the Schedule.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

17) CARGO IN AND/OR ON TRAILERS IN TANDEM ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, the definition of "*truck*" in this policy is amended as follows:

DEFINITIONS

a) The word *truck* shall mean

A *power unit*, including trailer and semi-trailer, dolly or auxiliary wheels combined, or any combination of them, or any unidentified trailer, BUT ONLY whilst

i) the trailer is singularly attached or connected in tandem to a covered *power unit*
OR

ii) the trailer was singularly attached or connected in tandem to a covered power unit but has been temporarily detached from such *power unit* for a period not exceeding seventy two (72) consecutive hours (Sundays and public holidays excluded) AND whilst *securely parked*.

In the event of *cargo* being carried in and/or on more than one trailer hauled by the same *power unit* at any one time, the deductible shall apply separately to the *cargo* carried in and/or on each trailer. However, the Truck Limit as stated in Item A of the Schedule shall apply once to all *cargo* irrespective of the number of trailers attached to the *power unit*.

A "B-train" or similar shall be considered to be two trailers for the purposes of this policy.

All other terms and conditions of this policy shall remain unchanged.

18) LOADING AND UNLOADING OF AUTOS ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, "loading and unloading" shall include whilst any auto is:

a) being driven on to or off from a *truck*;

b) being driven for the purposes of being taken directly, without being vacated, to or from a *truck*, but in any event not exceeding one mile distance from the *truck*.

All other terms and conditions of this policy shall remain unchanged.

19) LOADING AND UNLOADING OF AUTOS (INCLUDING UNLOADED VACATED AUTOS) ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, "loading and unloading" shall include whilst any auto is:

a) being driven on to or off from a *truck*;

b) being driven for the purposes of being taken directly, without being vacated, to or from a *truck*, but in any event not exceeding one mile distance from the *truck*;

c) vacated, securely locked with all keys removed and parked, whilst the driver is unloading other autos from the *truck*. Coverage for such autos under this endorsement shall cease upon completion of the unloading of the last auto from the *truck* during that unloading operation.

All other terms and conditions of this policy shall remain unchanged.

MOTOR TRUCK CARGO BRIT FORM (USA) (2007/01)

20) NEW AUTO VALUATION ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, General Condition Number 19, Valuation, contained herein, is amended in respect of any new auto only, to include reasonable depreciation as required by the applicable auto manufacturer.

For the purposes of this endorsement, "new auto" shall mean an auto that has never been taxed or licensed for use on public roads, and is still owned by the manufacturer or its representatives.

The deductible in respect of any claim under this endorsement for loss or damage to any new auto adjusted on this basis shall be the sum stated in the optional endorsements Schedule.

The Underwriters shall have the right, at their sole option, to:

- a) pay for a total loss of a damaged auto less the policy deductible,
AND
- b) take over the salvage of that auto and repair it at their own expense,
AND
- c) sell the auto as a repaired auto with either a qualified manufacturer's warranty or with no manufacturer's warranty at all, retaining the entire proceeds for their own account.

In the event that the auto manufacturer refuses to accept a total loss payment from the Underwriters on this basis, then the liability of the Underwriters under this endorsement shall revert to the reasonable cost of repair as otherwise recoverable under this policy in the absence of this endorsement.

All other terms and conditions of this policy shall remain unchanged.

21) NAMED PERILS ENDORSEMENT

In consideration of the reduced premium charged by the Underwriters, the Insuring Agreement of this policy is amended as follows:

INSURING AGREEMENT

In consideration of the premium paid hereon and the particulars and statements contained in the written Proposal (a copy of which attaches hereto), which particulars and statements are warranted by the Insured to be true and are agreed by the Insured to be incorporated herein, the Underwriters hereby agree to indemnify the Insured, named in the Schedule on page 1 of this form (hereinafter "the Schedule"), for **RISKS OF DIRECT PHYSICAL LOSS OF OR DIRECT PHYSICAL DAMAGE TO LAWFUL CARGO, CAUSED BY OR RESULTING FROM ONE OR MORE OF THE NAMED PERILS DEFINED IN THIS POLICY** (hereinafter "loss or damage") carried in and/or on a *truck* whilst in the Insured's care, custody or control in the ordinary course of transit, including loading and unloading, within the contiguous states of the USA, the District of Columbia and Canada.

The Underwriters shall also indemnify the Insured for loss of *earned freight charges* subject to the Limits of Liability clause contained herein.

All other terms and conditions of this policy shall remain unchanged.

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22) COMBINED MOTOR TRUCK CARGO AND COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE OCCURRENCE SINGLE DEDUCTIBLE ENDORSEMENT

In consideration of the reduced premium charged by the Underwriters and this policy being issued in conjunction with a **Commercial Automobile Physical Damage Brit Form (2007/01)** policy, all claims for loss or damage arising out of *any one occurrence* which are recoverable under either this policy or the Commercial Automobile Physical Damage Brit Form policy shall be adjusted separately, and from the combined amount of all adjusted losses arising out of *any one occurrence* the sum set against the optional endorsement in the optional endorsements Schedule shall be deducted, such amount to be uninsured and retained at the Insured's own risk.

All other terms and conditions of this policy shall remain unchanged.

23) MOBILE HOME RAISING, LOWERING AND SETTING DOWN ENDORSEMENT

In consideration of the additional premium charged by the Underwriters, this policy is extended to cover the liability of the Insured for direct physical loss of or direct physical damage to a mobile home or building hauled on a *truck* that is covered for liability to *cargo* under this policy, occurring during the operations of raising, lowering and setting down of the mobile home, and where raising operations commence during the *policy period*. Coverage shall apply from the time of commencement of raising the mobile home or building prior to being loaded on to the *truck*, and cease after unloading from the *truck*

a) on completion of lowering and setting down of the mobile home or building on to the foundations at destination.

Or

b) thirty (30) days from the time of commencement of raising the mobile home or building prior to being loaded on to the *truck*, whichever occurs earlier.

All other terms and conditions of this policy shall remain unchanged.

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