



Building Industry Insurance Association Inc.
345 W. Freemason Street
Norfolk, Virginia 23510
(757) 420-3022 – Fax: (757) 512-5205
www.biiainsurance.com

MOTOR TRUCK CARGO CARRIERS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. Definitions.

A. Coverage

We will pay those sums that you become legally obligated to pay for loss to Covered Property caused by a Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this coverage form, means property of others described in the Declarations that you have accepted for transportation as a common or contract motor carrier under your tariff and bill of lading or shipping receipt issued by you.

We only cover property:

- a. While in your custody as the carrier or in the custody of connecting carriers, until the property is delivered to its destination; or
- b. When loaded or unloaded at a facility (terminal, warehouse or other storage area) for up to 72 hours (excluding Sundays and holidays). However, this limitation does not apply to:
 - (1) Property at Terminal(s) whose locations are specified; or
 - (2) Property at Unspecified Terminals; if a Limit of Insurance for those coverages is shown in the Declarations.

If the property is not delivered, we cover the return of the property to you.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, deeds, evidences of debt, money, notes or securities;
- b. Bullion, gold or other precious metals, jewelry, watches, precious or semiprecious stones;
- c. Furs or garments trimmed with fur;
- d. Coins or stamps;

- e. Live animals;
- f. The vehicle(s) carrying the property;
- g. Intermodal containers, unless included in the value of the shipment;
- h. Property while waterborne. However, we cover property while aboard vessels on inland waterways when the waterborne transportation is incidental to the land portion of the journey;
- i. Import Shipments:
 - (1) Until discharged from the import conveyance; or
 - (2) Until Ocean Marine insurance ceases; whichever occurs last;
- j. Export Shipments:
 - (1) After placed on the outbound conveyance; or
 - (2) When Ocean Marine insurance applies to the shipment; whichever occurs first;
- k. Works of art unless described in the Declarations; or
 - l. Contraband, or property in the course of illegal transportation or trade.

3. Covered Causes Of Loss

Covered Causes of Loss means Direct Physical Loss Or Damage to Covered Property for which you are liable except those causes of loss listed in the Exclusions.

4. Coverage Extension – Earned Freight Charges

We also cover your earned freight charges that you are unable to collect arising from a loss covered by this coverage form. The most we will pay in any one occurrence is \$2,500.

This limit is in addition to the Limits of Insurance shown in the Declarations.

B. Exclusions

This insurance does not apply to:

1. Your liability for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this coverage form.

b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this coverage form.

c. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Exclusions **B.1.a.** through **B.1.c.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. Your liability for loss or damage caused by or resulting from any of the following:

- a.** Improper packing or stowage, or rough handling.
- b.** Delay, loss of use, loss of market or any other indirect loss.
- c.** Breakdown of refrigeration equipment. But we will pay for such loss caused directly by fire, lightning, explosion, windstorm, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by "accident" to the vehicle carrying the property if these causes of loss would be covered under this coverage form.
- d.** Dishonest or criminal act committed by:
 - (1) You, any of your partners, employees, directors, trustees, or authorized representatives;
 - (2) A manager or a member if you are a limited liability company;

- (3) Anyone else with an interest in the property, or their employees or authorized representatives; or
- (4) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees.

- e.** Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
 - f.** Unauthorized instructions to transfer property to any person or to any place.
 - g.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** Your liability for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a.** Any quality in the property that causes it to damage or destroy itself.
 - b.** Gradual deterioration, corrosion, rust.
 - c.** Dampness, extremes of temperature.
 - d.** Insects, vermin or rodents.

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limit of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Additional Conditions

- 1.** The **Valuation** General Condition in the Commercial Inland Marine Conditions is replaced by the following:

The value of property will be the least of the following amounts:

 - a.** The cost of reasonably restoring that property to its condition immediately before loss;

- b. The cost of replacing that property with substantially identical property;
- c. The value, if any, stated in the bill of lading or shipping receipt; or
- d. The limitation stated in the tariff.

In the event of loss, the value of property will be determined as of the time of loss or damage.

- 2. The following condition applies in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

Coverage Territory

- a. We cover property wherever located within:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.
- b. We also cover property being shipped by air within and between points in Paragraph a.

F. Definitions

"Accident" means:

- 1. Upset or overturn of the transporting vehicle; or
- 2. The violent and accidental contact of the transporting vehicle with another vehicle or object, but not including contact with:
 - a. The roadbed or curbing;
 - b. Rails or ties of street, steam or electric railroad; or
 - c. Any stationary object while backing for loading or unloading purposes.

COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. We will not pay you more than your financial interest in the Covered Property.

3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

J. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. Control Of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

1. The actual cash value of that property;

2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THEFT FROM UNATTENDED VEHICLE EXCLUSION

This endorsement modifies insurance provided under the following:

ANNUAL TRANSIT COVERAGE FORM
COMMERCIAL FINE ARTS COVERAGE FORM
COMPUTER SYSTEMS COVERAGE FORM
DIFFERENCE IN CONDITIONS COVERAGE FORM
INSTALLATION COVERAGE FORM
INSTALLMENT SALES AND LEASED PROPERTY COVERAGE FORM
MOTOR TRUCK CARGO OWNERS COVERAGE FORM
RADIO AND TELEVISION TOWERS AND EQUIPMENT COVERAGE FORM
SCIENTIFIC AND MEDICAL DIAGNOSTIC EQUIPMENT COVERAGE FORM
TRIP TRANSIT COVERAGE FORM
WAREHOUSE OPERATORS LEGAL LIABILITY COVERAGE FORM

The following is added to **Section B. Exclusions:**

We will not pay for loss or damage caused by or resulting from theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

BIIA Privacy Practices

Protecting the privacy and confidentiality of information about our customers is very important to Building Industry Insurance Association (BIIA). Accordingly, we strive to comply with each of the following practices in everything we do:

We do not sell, rent, lease or otherwise disclose personal information of our customers for purposes unrelated to our product and services. The personal information of our customers is of paramount importance to us. Therefore, we provide this information only to our employees, agents and third parties as required to allow them to help us develop and provide our insurance.

We work to ensure information integrity and security. We use technology tools and design our business practices to help ensure that the personal information of our customers is properly gathered, stored and processed. We also work to maintain the security of, and internal and external access to, the personal information of our customers through the use of technology and our business practices.

We expect our service agents and employees to respect the personal information of our customers. BIIA has business policies and practices in place to help ensure that our employees and service agents carry out these practices and otherwise protect personal information about our customers. Both employees and service agents are subject to censure, dismissal, or termination for violation of these policies.

PRIVACY NOTICE

BIIA and our agents provide this notice to let you know about the current privacy practices of BIIA. **You do not need to do anything in response to this notice. This notice is merely to inform you about how we safeguard your information.**

Collection of Information

As part of BIIA's normal underwriting and operating procedures, BIIA (and our service agents acting on our behalf) need to obtain information to determine an individual/company's eligibility for our product and to perform our insurance functions. BIIA may collect nonpublic personal financial information about BIIA's customers, including:

- Information from our customers (including names, addresses, and financial information).
- Information about the customers' transactions with BIIA (including claims and payment information).
- Information from consumer reporting agencies (including creditworthiness and credit history); insurance support organizations such as the Central Index Bureau (including claims histories); and a claimant's health care providers, employee(s) salary information.

Disclosure of Information

BIIA may disclose the nonpublic personal financial information we collect, as described above, as well as information about your transactions with us (such as your policy coverage, premiums, and payment history) to our service agents or other third parties who perform services or functions on our behalf. We may also disclose the nonpublic personal financial information we collect to other third parties as authorized by you or as required or permitted by law.

Our service agents will make disclosures of our customers' nonpublic personal financial information only while acting on BIIA's behalf and, furthermore, will make such disclosures only as BIIA itself is permitted to make.

Neither BIIA nor our service agents will use or share with other parties any nonpublic personal financial information about BIIA customer for any purpose other than disclosures for the performance of insurance functions by BIIA or on our behalf, disclosures that are permitted or required by law, or disclosures that the customer has authorized.

Neither BIIA nor our service agents will further disclose any nonpublic personal information about a former customer of BIIA other than as may be required or permitted by law.

Confidentiality and Security

BIIA and our service agents will safeguard, according to strict standards of security and confidentiality, any information we collect, receive or maintain about BIIA's customers. BIIA maintains administrative, technical, and physical safeguards to ensure the security and confidentiality of our customers' information and records, to protect against anticipated threats or hazards to such records, and to protect against unauthorized access to or use of such information or records.

Internally, BIIA limits access to our customers' information to only those employees who need access to the information to perform their job functions. Employees who misuse information are subject to disciplinary actions. Externally, we do not disclose customer information to any third parties unless we have previously informed the customer of the disclosure, have been authorized to do so by the customer, or are required or permitted to make the disclosure by law or our regulators.

IMPORTANT INFORMATION TO POLICY HOLDERS

In the event you need to contact someone about this policy for any reason, please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address and telephone number:

Customer Relations Department
Building Industry Insurance Association, Inc.
345 W. Freemason St
Norfolk, VA 23510
757-420-3022

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia Bureau of Insurance at:

Property and Casualty Division
Bureau of Insurance
P. O. Box 1157
Richmond, Virginia 23209
1-804-371-9965

Written correspondence is preferable so that a record of your inquiry can be maintained. When contacting your agent, company or the Bureau of Insurance have your policy number available.

Thank You

We would like to take the opportunity to thank you for placing business with Building Industry Insurance Association, Inc.

Our Commercial Property and Casualty programs
are successful because of you.

Let us know how we can better serve you.