

MOTOR TRUCK CARGO BROAD FORM (15SI)

SCHEDULE

INSURED NAME:

ADDRESS:

POLICY PERIOD:

TO:

A) TRUCK LIMIT: \$

B) LOSS LIMIT: \$

C) DEDUCTIBLE: \$

DEPOSIT PREMIUM \$

MINIMUM \$

ADJUSTABLE AT

% ON GROSS RECEIPTS

OR

SCHEDULE VEHICLE POLICY AT \$

IN FULL

(Delete as applicable)

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OPTIONAL ENDORSEMENTS:

1) REFRIGERATION BREAKDOWN ENDORSEMENT:

a) Deductible \$

2) RIGGERS ENDORSEMENT:

a) Limit \$

b) Deductible \$

3) CONTINGENT TRANSIT ENDORSEMENT:
(TRUCK BROKERING)

4) UNATTENDEDED TRUCK ENDORSEMENT:

a) Limit \$

5) EARNED FREIGHT ENDORSEMENT:

6) DEBRIS REMOVAL ENDORSEMENT:

INCLUDED

a) Limit \$2,500

7) L.T.L. ENDORSEMENT (72 HOUR OFF TRUCK COVER):

Terminal: Limit \$

Terminal: Limit \$

8) IN FULL PREMIUM ENDORSEMENT:

Specified vehicles, vehicle identification numbers:

9) TRAILER INTERCHANGE ENDORSEMENT:

a) Trailer Limit \$

b) Loss Limit \$

10) SPECIAL CONDITIONS:

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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 to be incorporated herein, the Underwriters hereby agree to indemnify the Insured, named in the schedule, for ALL RISKS OF PHYSICAL LOSS OR DAMAGE FROM AN EXTERNAL CAUSE to lawful cargo 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 USA, the District of Columbia and Canada. THIS INSURANCE BEING SUBJECT TO ALL THE PROVISIONS, EXCLUSIONS, DEFINITIONS, TERMS AND CONDITIONS CONTAINED IN THE FOLLOWING WORDING.

LIMIT OF LIABILITY

The liability of the Underwriters for the claims arising out of loss or damage to cargo carried in or on any one truck as defined herein shall in no event exceed the sum set against item A on the schedule page forming page 1 of this form less the amount of the applicable deductible contained in this policy, but in any event for claims arising out of any one occurrence Underwriters shall not be liable for more than the sum set against item B on the schedule page forming page 1 of this form, less the amount of the applicable deductible contained in this policy. IT IS A CONDITION OF THIS POLICY THAT THE INSURED WILL NOT CARRY INSURANCE OVER AND ABOVE THE LIMITS PROVIDED IN THIS POLICY.

DEDUCTIBLE

In consideration of the reduced premium charged, all claims for loss or damage arising out of each and every accident or event shall be adjusted separately, and from the amount of the loss arising out of each and every accident or event when determined, the sum set against item C in the schedule page forming page 1 of this form shall be deducted, such amount to be uninsured and at the Insured's own risk.

EXCLUSIONS

This insurance does not insure the liability of 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, live animals, tobacco, cigars, cigarettes, non-ferrous metal in scrap and/or ingot form, furs, garments*, electronics*, alcohol, beer, wine, seafood unless canned. (*as defined on page 6)
- ii) Loss or damage to Household goods and/or personal effects, when forming part of a domestic removal of office relocation.
- b) Loss or damage caused by or resulting from mysterious disappearance, 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 or acts occurred during the regular hours of employment.
- c) Loss of cargo due to voluntary act of 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.

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- d) Loss of market, delay, loss of use, clean up costs, diminished value, lost profits, business interruption losses, storage charges, attorneys' fees or expenses, fines, penalties, statutory, treble or additional damages, punitive or exemplary damages in whatever form assessed; professional fees due to inspection or recertification of damaged property, or any remote, consequential or incidental loss or damage.
- e) Loss or damage caused by spoilage, contamination, deterioration, freezing, rusting, electrical and/or mechanical failure, and/or damage to refrigerated and/or temperature controlled cargo UNLESS CAUSED BY OR RESULTING FROM:
 - (i) Fire, lightning, or explosion.
 - (ii) Accidental collision of 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, or windstorm.
 - (vii) Theft.
 - (viii) Stranding, collision, burning, grounding or sinking of ferry while truck on board.
- f) Loss or damage caused by strikers, locked-out workmen, persons taking part in labor disturbances, riots or civil commotions.
- g) Goods or merchandise which are the property of the Insured.
- h) Loss or damage 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); 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.
- i) Loss or damage caused by or resulting from nuclear radiation, nuclear reaction or radioactive contamination whether controlled or uncontrolled, whether such loss be direct or indirect, proximate or remote or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy.
- j) Loss or damage caused by or resulting from mildew, moth, vermin, mold, mildew, insufficiency of insulation or packing, wear, tear, gradual deterioration, or natural loss in weight or volume.
- k) Any losses from unattended trucks while in the ordinary course of transit unless:
 - (i) The truck is garaged in a building or parked in a fully enclosed yard which is securely closed and locked, or the truck is under constant surveillance, or on guarded lot AND
 - (ii) The truck has all the openings closed and securely locked and keys removed, in so far as local regulations permit.

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- l) Loss or damage to cargo without charge by the Insured or as an accommodation on their part.
- m) Loss or damage otherwise recoverable hereon unless:
 - (i) the trucks are owned by the Insured, or leased pursuant to a written lease by him for his exclusive use, AND providing the trucks are operated exclusively by his own full time salaried employees who have satisfied the employee references condition (General Conditions no. 4) below,
or
 - (ii) the trucks are operated by owner operators who are under written lease to the Insured for a period of 30 consecutive days or more.
- n) Loss or damage reasonably attributable to inherent vice.
- o) Loss or damage to cargo not loaded on a truck for which the Insured may be held legally liable.
- p) Loss or damage consequent upon or reasonably attributable to the insolvency, bankruptcy, or financial failure of the Insured.
- q) Freight charges earned or unearned, other than recoverable under General Condition no. 7 herein.
- r) Loss damage or expense of whatever nature which might otherwise be recoverable under this insurance arising out of or in any way connected with, whether directly or indirectly, the use or operation of any computer, computer system, computer software, program or process or any electronic system where any such loss, damage, expense or liability arises, whether directly or indirectly, as a consequence of (i) the date change to the year 2000 or any other date change and/or (ii) any change or modification of or to any such computer, computer system, computer software, program or process or any electronic system in relation to any such date change

UNLESS such loss damage or expense is caused by or resulting from:

- i) Fire, lightning or explosion
- ii) Accidental collision of the truck with any other vehicle or object
- iii) Overturning of the truck
- iv) Stranding, collision, burning, grounding or sinking of ferry while truck on board.

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DEFINITIONS

- a) The word truck shall mean a self-propelled commercial vehicle designed to carry cargo, which is licensed for use on public roads.

Truck includes trailers and semi-trailers, dollies or auxiliary wheels combined, or any combinations of them, or any unidentified trailer, BUT ONLY

- (i) whilst singularly attached to a covered truck or tractor

OR

- (ii) whilst temporarily detached for a period not exceeding 72 consecutive hours (Sundays and holidays excluded) from a covered truck or tractor AND whilst garaged in a building or parked in a fully enclosed yard which is securely closed and locked, or the trailer or semi-trailer is under constant surveillance, or on a guarded lot AND the trailer or semi-trailer has all the openings closed and securely locked with keys removed.

- b) The word accident shall mean:

An accident or series of accidents arising out of one event or occurrence.

- c) The word unattended 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 yards of the truck.

- d) 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.

- e) The word garments shall mean:

All items of clothing including innerwear and outerwear, footwear, shoes, boots, gloves, hats, and the like.

- f) The word electronics shall mean:

All items of consumer and commercial electrical appliances and instruments including but not limited to radios, televisions, computers, computer software, hard drives, chips, microchips, printed circuit boards and their components, modems monitors, cameras, facsimile machines, photocopiers, VCRs, hi-fis, stereos, CD players and the like. (Heavy electrical items such as switchgear, turbines, generators and the like shall be deemed not to be electronics.)

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GENERAL CONDITIONS

- 1) **NOTICE TO UNDERWRITERS** – Upon the occurrence of any loss claimed to be covered under this insurance, the Insured, or someone on his behalf, shall give immediate notification as soon as practicable. In any event the Insured shall also give not later than fifteen (15) days after the date the Insured received notification, written notice thereof to the Underwriters. The Insured shall not, except at his own cost, offer or pay any reward for recovery of the goods for which he is liable. 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.
- 2) **PROOF OF LOSS** – Within sixty (60) days after loss or damage, unless such time is extended in writing by the Underwriters, the Insured shall forward to 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, the sound value thereof and the amount of loss or damage thereto, all encumbrance thereon and all other insurance, whether valid and/or collectable or not, covering said property. Failure to notify the Underwriters within the time scales above shall invalidate any claim under this policy.
- 3) **EXAMINATION UNDER OATH** – The Insured, as often as required, shall submit to examination under oath by any other person designated by the Underwriters and subscribe the same. 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.
- 4) **SPECIAL CONDITION** – It is a condition precedent to Underwriters' liability under this policy that satisfactory references are obtained from reliable sources, checked and records kept in respect of all new employees engaged by the Insured after the inception date of this policy. The Insured shall take all reasonable precautions for the protection and safeguarding of the cargo and use such security devices as may be specified in the proposal form, and all vehicles, trailers, containers and security devices shall be maintained in good order. Such devices shall be used at all times and not be varied or withdrawn without written consent by the Underwriters.
- 5) **SUBROGATION** – In the event of any payment under this policy, the Underwriters shall be subrogated to all 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 or, at the option of the Underwriters bring an action in the name of the Insured to recover the entire loss. 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 loss to prejudice the Underwriters subrogation rights.
- 6) **CO-INSURANCE** – Underwriters shall not be liable for a greater proportion of any loss or damage to the total value of all merchandise than the amount of the applicable insurance bears to the total value at the time and place of the loss. This clause shall apply separately to merchandise in transit and at a terminal location.

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- 7) **PROTECTION OF SALVAGE** – In the event of any loss or damage whether insured against hereunder or not, the Insured shall protect the property from other or further loss or damage, and any such other or further loss or damage due directly or indirectly to the Insured's failure to protect shall not be recoverable hereunder. Any such act of the Insured or the Underwriters in recovering, saving and preserving the property described herein, shall be considered as done for the benefit of all concerned and without prejudice to the rights of any party, and where the loss or damage suffered constitutes a claim hereunder, then all reasonable expenses thus incurred shall also constitute a claim hereunder, provided such expenses and the claim hereunder do not exceed the lesser of the value of the goods or the limit hereunder. However the Underwriters shall not be responsible for the payment of any reward offered for the recovery of the insured property unless authorized by the Underwriters.
- 8) **OTHER INSURANCE** – If at the time of loss or damage there is available to a named or unnamed Insured or any other interested party any other insurance which apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over such other insurance. It is a condition of this policy that the Insured will not carry insurance over and above the limits provided in this policy.
- 9) **PRIVILEGE TO ADJUST WITH OWNER** – In the event of loss or damage to property of others held by the Insured for which claim is made upon the Underwriters 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 or the Insured for which such payment has been made. If legal proceedings be taken to enforce a claim against the Insured as respects any such loss or damage, the Underwriters reserve the right at their 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 the policy.
- 10) **IMPAIRMENT OF RECOVERY RIGHTS** – Any act or agreement by the Insured before or after loss or damage whereby any right of the Insured to recover in whole or part for loss or damage to property covered hereunder against any carrier, bailee or other party liable therefore, is released or lost, shall render this policy null and void but the Underwriters' right to retain or recover the premium shall not be affected. The Underwriters are not liable for any loss or damage which, without their written consent, has been settled or compromised by the Insured.
- 11) **ASSIGNMENT** – This policy shall be void if assigned or transferred without the written consent of the Underwriters.
- 12) **CONFLICTING STATUTORY PROVISIONS** – If any condition or agreement or any other part of this insurance is at variance with any specific statutory provision in the State or Province having jurisdiction, such specific statutory provision shall be substituted for such condition, agreement or part.

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- 13) REIMBURSEMENT – It is understood and agreed that the Insured shall reimburse the Underwriters within ten (10) days from the time the Insured shall be advised thereof, all sums and amounts of money that the Underwriters have paid and which the Underwriters would not have been required to pay except for the attachment to this policy of any Federal, State, Provincial endorsement or any other endorsement or certificate of insurance. It is further understood and agreed that the Underwriters shall have the right to deduct from loss payments due under this provision as well as all sums due from the Insured for any reason including but not limited to premiums and deductibles paid directly by Underwriters.
- 14) MISREPRESENTATION AND FRAUD – This entire Insurance shall be void if the Insured has concealed or misrepresented any material fact or circumstances 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 a loss.
- 15) AUTHORIZATION OF ENDORSEMENTS – No endorsement other than Federal or Statutory Endorsements shall form part of the contract unless authorized by the Underwriters and stamped by the Lloyd's Policy Signing Office.
- 16) ABANDONMENT – The Insured may not abandon goods to the Underwriters.
- 17) VALUATION – Underwriters' liability will not exceed the lesser of any one of the following:
- (a) the actual cash value of the damaged property at the time of the loss with a deduction for depreciation; or
 - (b) the amount it will cost to repair the damaged property as determined by an adjuster appointed by Underwriters for that purpose without an allowance for any increased costs of repair imposed by any ordinance or law regulating construction or repair including those requirements set forth in the National Manufactured Housing Construction and Safety Standards Act of 1974, Title VI of the Housing and Community Development act of 1974, 42 U.S.C.A. 5401et seq. and accompanying regulations. The registered owner holding legal title to the property, not Underwriters, has the sole responsibility to make the repairs, conduct inspections, and obtain approval or recertification of the property as required by any law, ordinance or regulation including but not limited to the National Manufactured Housing Construction and Safety Standards Act of 1974, Title VI of the Housing and Community Development Act of 1974, 42 U.S.C.A. 5401 et seq. and Texas Revised Civil Statutes art. 5221f et seq. and accompanying regulations; or
 - (c) In the event of a total loss to a mobile home manufacturer, distributor or reseller, the manufacturer's invoice price with deduction for depreciation as determined by an adjuster appointed by underwriters; or
 - (d) In the event of a total loss claimed by a retail consumer, the purchase price paid by such retail consumer with a deduction for depreciation as determined by an adjuster appointed by underwriters.
- 18) CANCELLATION – This insurance may be cancelled by the Insured by surrender of the policy or by mailing to the Underwriters written notice stating when thereafter such cancellation shall be effective. This insurance may be canceled 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. The mailing of notice as aforesaid shall be sufficient proof of notice and the effective date and hour of cancellation stated in the notice shall become the end of the period of insurance. Delivery of such written notice either by Insured or the Underwriters shall be equivalent to mailing.

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SHORT RATE CANCELLATION TABLE

A) For insurances written for one year:

<u>Days Insurance In Force</u>	<u>Percent of One Year Premium</u>	<u>Days Insurance In Force</u>	<u>Percent of One Year Premium</u>
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	169 - 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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If the Insured cancels, earned premium shall be computed in accordance with the short rate table attached. If the Underwriters cancel, 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, Provincial or any other endorsement or certificate of insurance. The Underwriters' check or the check of their representatives mailed or delivered as aforesaid shall be a sufficient tender of any refund of premium due the insured.

- B)** For insurances written for more or less than one year:
1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
 2. If insurance has been in force for more than 12 months;
 - a) Determine full annual premium as for an insurance written for a term of one year.
 - b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro-rata earned premium 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 written.
 - c) Add premium produced in accordance with items (a) and (b) to obtain earned premium during full period insurance has been in force.

19) REPORTING CLAUSE -

- a) The Insured agrees to keep an accurate record of the gross receipts (either collected or uncollected) from their trucking business during the term of this policy and to report to the Underwriters or their authorized agent, not later than the twentieth (20) day subsequent to the anniversary date of this policy the full amount of such gross receipts (either collected or uncollected) from their trucking business during the preceding annual period, or such time as is within the policy period.
- b) For purposes of this insurance the term "gross receipts" wherever used in this policy, shall mean the actual charges for transportation of lawful goods and merchandise 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.
- c) The Insured agrees that any duly 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 life of this policy 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 the 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.

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20) SERVICE OF SUIT:

USA

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, 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 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. It is further agreed that service of process in such suit may be made upon

MENDES & MOUNT, 750 7TH AVENUE, NEW YORK, NY 10019-6829

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

The above named are authorized and directed to accept service of process on behalf of 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 Underwriters' behalf in the event that such a suit shall be instituted.

Further, pursuant to any statute of any State, territory or district of the United States which makes provision therefore, Underwriters hereon 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 true copy thereof.

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 be 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 laws of the State or Province within which this Policy is issued such limitation is invalid, then any such claims shall be void unless such suit or proceeding be commenced within the shortest limit of time permitted by the laws of such State or Province.

CANADA

In any action to enforce the obligations of the Underwriters liable hereunder they can be designated or name as:

"M.J. OPPENHEIM IN HIS QUALITY AS ATTORNEY IN FACT IN CANADA FOR
LLOYD'S UNDERWRITERS"

and such designation shall be binding on the Underwriters liable hereunder as if they had each been individually named as Defendant. Service of such proceedings may validly be made upon M.J. Oppenheim, whose address for service is 1155 Rue Metcalfe, Suite 1540, Montreal, Quebec H3B-2V6.

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 be 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 laws of the State or Province within which this Policy is issued such limitation is invalid, then any such claims shall be void unless such suit or proceeding be commenced within the shortest limit of time permitted by the laws of such State or Province.

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21) COMBINED SINGLE LIMIT

The Aggregate limits of insurance shown in the certificate, reduced by the applicable number of deductibles, is the most Underwriters will pay for any one manufactured housing unit regardless of the number of sections in such unit.

The aggregate limit of insurance shown in the certificate, reduced by the applicable number of deductibles, is also the most Underwriters will pay regardless of the number of occurrences, loss or claims paid made under this certificate.

22) COOPERATION CLAUSE

Duties in Event of Occurrence, Offense, Claim or suit:

It is a **CONDITION PRECEDENT** to coverage under the Policy and you must:

- a. Immediately notify us describing how, when and where an accident or occurrence happened and giving names and addresses of witnesses, injured persons and all persons involved in the occurrence;
- b. Cooperate with us in the investigation, settlement or other resolution of any claim or suit;
- c. answer under oath, questions asked by us or anyone we designate.;
- d. Immediately send us copies of any notices or legal papers that you receive and hire an attorney to defend you;
- e. Help your attorney in obtaining and giving evidence, attending hearings and trials, and getting witnesses to testify;
- f. Take all necessary steps to defend any lawsuit and not take any action to prejudice defense of any lawsuit.

In the event of any accident or occurrence, you and anyone we insure must not:

- g. Make any statement about the accident or occurrence to others without our permission, except government authorities making an official investigation, your attorney and us or those persons we designate.
- h. Make any voluntary payments, assume any obligation or incur any expense without our permission, except for emergency first aid to others and protection of the property from further loss.

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OPTIONAL ENDORSEMENTS

The following endorsements DO NOT APPLY UNLESS STIPULATED AS BEING INCLUDED ON THE OPTIONAL ENDORSEMENTS SCHEDULE PAGE FORMING PAGE TWO OF THIS FORM.

1) REFRIGERATION BREAKDOWN ENDORSEMENT

In consideration of the premium charged this policy, irrespective of exclusion e) this policy is extended to cover the Insured's legal liability for loss or damage to refrigerated and/or temperature controlled cargo when such loss and/or damage is **CONCLUSIVELY PROVEN** to have been caused by mechanical failure of or breakdown of the automatic temperature control unit.

With respect to coverage provided herein for mechanical failure or breakdown of the automatic temperature control unit it is expressly agreed and understood the coverage provided does not insure against failure or breakdown directly due to the following:

- a) Failure to provide adequate fuel supply.
- b) Failure to maintain crankcase oil level within manufacturer's specified limits.
- c) Failure to maintain an adequate level of refrigerant per the manufacturer's specifications.
- d) Willful destruction or damage to automatic temperature control unit(s) by an employee or others.
- e) Mechanical failure of or breakdown of automatic temperature control unit to refrigeration machinery in excess of 10 years of age, computed from the model year of the unit.
- f) Failure due to computer or electronic process malfunction as per exclusion r) in the policy wording.

The Insured warrants that:

- a) The refrigeration or heating units shall be maintained in accordance with the manufacturer's instructions in good operating condition, and will be inspected at least once a month by the Insured's maintenance shop or manufacturer's authorized service representative(s), AND
- b) That records are maintained by the Insured of such maintenance operation 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.

The deductible applicable to losses recoverable under this endorsement shall be the sum set against paragraph 1 (a) in the optional endorsements schedule page forming page 2 of this form.

All other policy terms and conditions remain unchanged.

MOTOR TRUCK CARGO BROAD FORM (15SI)

2) RIGGERS ENDORSEMENT

In consideration of the additional premium charged, this policy is extended to cover the legal liability of the Insured for loss or damage to goods or merchandise, the property of others, while in the custody of the Insured and directly resulting from the accidental dropping or slipping of the property 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 an amount exceeding the sum set against paragraph 2 (a) in the optional endorsements schedule page forming page 2 of this form, in any one accident or loss at any one time.

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

Each claim for loss of cargo, subject to the provisions of this endorsement, shall be adjusted separately and from the amount of each such adjusted claim, the sum set against paragraph 2 (b) in the optional endorsements schedule page forming page 2 of this form, shall be deducted.

All other policy terms and conditions remain unchanged.

3) CONTINGENT TRANSIT ENDORSEMENT (TRUCK BROKERING)

For the purpose of this endorsement the word "subcontractor" shall mean the trucking company which physically transports the cargo.

In consideration of the additional premium charged it is hereby noted and agreed that irrespective of exclusion (m), this policy is extended to include the Insured's liability otherwise recoverable hereon, where the Insured is acting as a truck broker, subject to the following conditions:

- 1) It is a condition precedent to coverage under this policy that the Insured obtains written evidence of each subcontractor's current motor truck cargo insurance policy, which must include details of the period of validity of the policy, the conditions, exclusions, limits and deductibles contained therein, prior to commencing operations with that subcontractor.
- 2) It is a condition precedent to coverage under this policy that this written evidence shows that the subcontractor's insurance is in effect at the time the cargo is transported.
- 3) It is a condition precedent to coverage under this policy that the conditions of this policy shall not provide broader cover than the conditions of the subcontractor's motor truck cargo policy.

In consideration of the reduced rate for which this endorsement has been issued, Underwriters shall not be liable for the payment of any claims under this endorsement except:

- a) when the subcontractor is not legally liable for any loss or damage to the cargo,
OR
- b) after the Insured has made all reasonable and proper efforts to collect the amount of the claim from the subcontractor and their Insurers, but has not succeeded due to declination of liability to pay.

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 shipped, and shall also have complied with all other procedures required for the filing of claims against the subcontractor and their Insurers. In no event shall Underwriters be liable for loss or damage to any cargo until the 90th day subsequent to the date the loss or damage occurred.

All other policy terms and conditions remain unchanged.

MOTOR TRUCK CARGO BROAD FORM (15SI)

4) UNATTENDED TRUCK ENDORSEMENT

In consideration of the additional premium charged, it is hereby noted and agreed that, irrespective of exclusion k) this policy is extended to include losses to cargo directly resulting from forcible and/or violent entry to unattended trucks, subject to such trucks having all their openings closed, securely locked and all key removed, but the limit of liability under this extension shall be the sum set against paragraph 4 in the optional endorsements schedule page forming page 2 of this form, any one truck.

No coverage is provided hereunder for loss of or damage to cargo in and or on trailers or semi-trailers which are detached from power units, unless such trailers or semi-trailers are

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

AND

the trailer or semi-trailer has all the opening closed and securely locked with keys removed and the period that the trailer or semi-trailer is detached from the power unit does not exceed 72 consecutive hours (Sundays and holidays excluded) from the time of detachment from the covered truck or tractor. (See definition of truck on page 6 of this form)

All other policy terms and conditions remain unchanged.

5) ENDORSEMENT TO INCLUDE EARNED FREIGHT CHARGES

In consideration of the additional premium charged, this policy is extended to cover loss of earned freight charges incurred by the Insured at the time of a loss recoverable under this policy. This endorsement shall not extend the policy to cover unearned freight charges, or loss of earned freight charges where there is not a loss otherwise recoverable under this policy.

All other policy terms and conditions remain unchanged.

6) DEBRIS REMOVAL ENDORSEMENT

In consideration of the additional premium charged, this policy is extended to cover the costs of removal of the debris of the cargo insured hereunder where necessarily incurred by the Insured in connection with a loss otherwise recoverable under this policy. Underwriters liability under this endorsement shall be sublimited to the sum set against paragraph 6 in the optional endorsements schedule page forming page 2 of this form. In any event, the maximum liability of Underwriters under this policy for any one accident shall be the amounts set forward in items A & B of the schedule page forming page 1 of this form. Nothing contained in this endorsement shall extend coverage hereunder to include environmental clean up costs or similar expenses.

All other policy terms and conditions remain unchanged.

7) L.T.L. ENDORSEMENT (OFF TRUCK COVER)

(Less than Trailer Load)

In consideration of the additional premium charged, this policy is extended to cover the liability of the insured for cargo otherwise covered hereunder whilst unloaded and held pending transfer at the terminals as named against paragraph 7 in the optional endorsements schedule page forming page 2 of this form, for a period not exceeding 72 hours after unloading. (Sundays and holidays excluded). The limits of liability in this respect shall be as specified in paragraph 7 of the optional endorsements schedule page forming page 2 of this form, but always subject to the overall loss limit set forward in item B of the schedule page forming page 1 of this form.

All other policy terms and conditions remain unchanged.

MOTOR TRUCK CARGO BROAD FORM (15SI)

8) IN FULL PREMIUM ENDORSEMENT

It is hereby noted and agreed that the liability of Underwriters shall be limited to cargo WHILST IN AND OR ON A TRUCK WHICH IS SPECIFIED ON THE SCHEDULE ATTACHING TO THIS POLICY, including loading and unloading. The premium specified on the schedule shall be deemed to be non-adjustable, other than as per the cancellation provisions of the policy specified in condition 18. This endorsement shall not override exclusion m) or any other conditions of the policy.

All other policy terms and conditions remain unchanged.

9) TRAILER INTERCHANGE ENDORSEMENT

In consideration of the additional premium charged, it is hereby noted and agreed that this policy is extended to cover the Insured's liability to non-owned trailers under a trailer interchange agreement.

Liability under this extension shall be subject to the policy deductibles, exclusions, and general conditions and shall further exclude:

- 1) Loss of or damage to any radio transmitting or receiving set and tape recorders unless permanently attached to an insured automobile, garments, personal effects, or other property of the assured or of others carried in or upon trailer.
- 2) Loss of or damage to tires unless damaged by fire or stolen or unless lost or damaged in an accidental collision or upset which also caused other damage to the trailer.
- 3) Loss or damage to any trailer which is due to wear and tear, freezing, mechanical or electrical breakdown or failure, unless such damage is the result of other losses covered by this insurance.
- 4) 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.
- 5) The theft, robbery or pilferage of tools or repair equipment except in conjunction with the theft of an entire trailer.
- 6) The wrongful conversion, embezzlement or secretion by a mortgagee, vendee, lessee or other person in lawful possession of the insured property under mortgage, conditional sale, lease or other contract agreement, whether written or verbal.
- 7) Loss of or damage to any trailer occurring whilst such trailer is not attached to a tractor unit which is insured for cargo liability under this policy.

The limit of liability of the Underwriters in respect of any one trailer shall be the sum set against paragraph 9 (a) in the optional endorsements schedule page forming page 2 of this form. In the event that the actual value of the trailer insured under this extension exceeds that sum, the Underwriters shall not be liable for greater proportion of any loss or damage to such trailer insured than the actual value of the trailer bears to that sum.

The total limit of liability of Underwriters under this extension shall not exceed the sum set against paragraph 9 (b) in the optional endorsements schedule page forming page 2 of this form, any one loss, but Underwriters overall liability 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) in the schedule page forming page 1 of this form.

All other policy terms and conditions remain unchanged.