

ADVANTAGES OF THE EXCESS INDEMNITY CONTRACT: "A TRUCKERS PERSPECTIVE"

EXCESS INDEMNITY CONTRACT (EIC)



ISO MOTOR CARRIER POLICY



<p>Usually, the MCS-82 Surety Bond is used as financial responsibility filing with the FHWA. The bond complies with the Federal Motor Carrier Safety Regulations concerning a motor carrier's financial responsibility. It is not evidence that there is an insurance policy.</p>	<p>BMC-91 or BMC-91X is used for financial responsibility filing with the FHWA. It complies with the Federal Motor Carrier Safety Regulations concerning a motor carrier's financial responsibility. It is an insurance certificate that operates as evidence that a MCS-90 is endorsed to an insurance policy.</p>
<p>Combines AL/GL per occurrence, does not contain a general aggregate.</p>	<p>Monoline CGL purchased separately subject to sublimits and general aggregate of \$2,000,000.</p>
<p>Terrorism (TRIA) included with no additional charge.</p>	<p>Oftentimes, additional premium for the coverage.</p>
<p>The Surety Bond is independent evidence of financial responsibility and does not become part of the Excess Indemnity Contract. This can change courts' and claimants' attorneys focus from "policy limits" to the limit of the surety bond.</p>	<p>Because the MCS-90 is endorsed onto the ISO policy, the policy limit, including the motor carrier's deductible, is always the focus of courts and claimants' attorneys.</p>
<p>Under the Excess Indemnity Contract, only the motor carrier and its ownership are insureds. This arrangement maximizes a motor carrier's defenses to liability claims that arise when a driver is outside the course and scope of his agency relationship with the motor carrier, because the driver cannot claim to be an "insured." As such, our contract minimizes the possibility that a motor carrier would be required to pay its retention for claims caused by wayward drivers.</p>	<p>ISO-based policies contain an "omnibus" clause that includes drivers in the definition of "insured." The effect of this can be that a driver who is not on a mission for the motor carrier can obtain coverage. The motor carrier would then be required to pay the deductible for the claim, and the claim remains in the motor carrier's loss experience.</p>
<p>Provides broadened coverage for both property damage and personal injury from accidental pollution claims, including loading and unloading, misdelivery and hostile fire.</p>	<p>Can entirely eliminate coverage for pollution claims or restrict coverage by providing only property damage coverage, or by providing coverage only for leakage of vehicle fluids. Check your policy.</p>
<p>The Excess Indemnity Contract provides general liability coverage for your Trucking Operations. It provides broadened coverage for "personal injury" claims, which includes bodily injury, defamation, false imprisonment and invasion of privacy.</p>	<p>ISO policies usually limit coverage to "bodily injury" claims for trucking liability claims. It is often necessary to purchase premises liability and/or Comprehensive General Liability separately in order to receive full coverage. Check your policies.</p>
<p>Reduces administration by providing automatic coverage for all power units and trailers owned by or leased to the motor carrier.</p>	<p>Usually requires notification to the carrier whenever a power unit or trailer is purchased, sold, replaced, or when an owner-operator or fleet owner signs on. Check the Coverage Symbol for the description of covered vehicles.</p>