

TRUCKERS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below:

Endorsement Effective	Policy Number
Named Insured	

SCHEDULE

For those covered **autos** used in your operations as a **trucker** the liability "cost of hire" provisions in the Declarations are replaced by the following:

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS—LIABILITY COVERAGE

LIABILITY COVERAGE—RATING BASIS, COST OF HIRE—AUTOS USED IN YOUR TRUCKING OPERATIONS		
ESTIMATED COST OF HIRE	RATE PER EACH \$100 COST OF HIRE	TOTAL ESTIMATED PREMIUM

Cost of hire means the total cost you incur for the hire of **autos** you don't own (not including **private passenger type autos** you borrow or rent from members of your household, your employees or agents or members of their households).

The following provisions apply to those covered **autos** used in your operations as a **trucker** if gross receipts or mileage is used as a premium basis:

SCHEDULE FOR GROSS RECEIPTS OR MILEAGE RATING BASIS— LIABILITY COVERAGE

Estimated Yearly [] Gross Receipts [] Mileage	RATES			PREMIUMS		
	Per \$100 of Gross Receipts or Per Mile			LIABILITY COVERAGE	AUTO MEDICAL PAYMENTS	P.I.P.
LIABILITY COVERAGE	AUTO MEDICAL PAYMENTS	P.I.P.	LIABILITY COVERAGE			
	TOTAL PREMIUMS					
	MINIMUM PREMIUMS					

When used as a premium basis:

Gross Receipts means the total amount to which you are entitled for shipping or transporting property during the policy period regardless of whether **you** or any other carrier originate the shipment or transportation. **Gross Receipts** includes the total amount received from renting equipment, with or without drivers, to anyone who is not a **trucker** and 15% of the total amount received from renting any equipment to any **trucker**. **Gross Receipt** does not include:

1. Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
2. Advertising Revenue.
3. Taxes which you collect as a separate item and remit directly to a governmental division.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

E. ADDITIONAL DEFINITIONS

1. The definition of **trailer** in the DEFINITIONS Section is replaced by the following:

"Trailer" includes a semi-trailer or a dollie used to convert a semi-trailer into a trailer. But for TRAILER INTER-CHANGE COVERAGE only, **"trailer"** also includes a container.

2. The following are added to the DEFINITIONS Section:

a. **"Private passenger type"** means a private passenger **auto** or station wagon, and also includes a utility type vehicle, with a G.V.W. of 25,000 lbs. or less, of the pickup body, sedan delivery, panel truck, van type and multi-use type, not used for the delivery or transportation of goods, materials or supplies other than samples; unless (1) the delivery of goods, materials or supplies is not the primary usage of the vehicle, or (2) used for farming or ranching.

b. **"Trucker"** means any person or organization engaged in the business of transporting property by **auto** for hire.

5. Warehouse storage fees.

Mileage means the total of all live and dead mileage developed by all the **autos** you leased or rented to others during the policy period.

SCHEDULE OF TRAILER INTERCHANGE

COVERAGE	LIMIT OF INSURANCE	DAILY RATE	ESTIMATED PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIR OR \$ WHICHEVER IS LESS	\$	\$
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIR OR \$ WHICHEVER IS LESS, MINUS \$25 DED. FOR EACH TRAILER FOR LOSS CAUSED BY MISCHIEF OR VANDALISM	\$	\$
COLLISION	ACTUAL CASH VALUE, COST OF REPAIR OR \$ WHICHEVER IS LESS, MINUS \$ DED. FOR EACH TRAILER	\$	\$
TOTAL PREMIUM			\$

PHYSICAL DAMAGE COVERAGE

The PHYSICAL DAMAGE COVERAGE exclusion in Paragraph C of this endorsement is removed for each of the following coverages indicated by an "[X]".

- [] COMPREHENSIVE
- [] SPECIFIED CAUSES OF LOSS
- [] COLLISION

For any operations you engage in as a **trucker** the policy is changed as follows:

A. WHO IS AN INSURED under LIABILITY COVERAGE is replaced by the following:

1. WHO IS AN INSURED

- a. You for any covered **auto**.
- b. Anyone else while using with your permission a covered **auto** you own, hire or borrow except:
 - (1) The owner of a covered **private passenger type auto** you hire or borrow from one of your employees or agents or a member of his or her household.
 - (2) Someone using a covered **auto** while they are working in a business of selling, servicing, repairing or parking **autos** unless that business is yours.
 - (3) Anyone other than your employees, partners, a lessee or borrower or any of their employees, while moving property to or from a covered **auto**.
 - (4) A partner of yours for a covered **private passenger type auto** owned by him or her or a member of his or her household.
- c. The owner or anyone else from whom you hire or borrow a covered **auto** that is a **trailer** while the **trailer** is connected to another covered **auto** that is a power unit, or, if not connected:
 - (1) Is being used exclusively in your business as a **trucker**; and
 - (2) Is being used pursuant to operating rights granted to you by a public authority.
- d. The owner or anyone else from whom you hire or borrow a covered **auto** that is not a **trailer** while the covered **auto**:
 - (1) Is being used exclusively in your business as a **trucker**; and
 - (2) Is being used pursuant to operating rights granted to you by a public authority.
- e. Anyone liable for the conduct of an **insured** described above but only to the extent of that liability.

However, none of the following is an **insured**:

- a. Any **trucker** or his or her agents or employees, other than you and your employees:
 - (1) If the **trucker** is subject to motor carrier insurance requirements and meets them by a means other than **auto** liability insurance.

(2) If the **trucker** is insured for hired **autos** under an **auto** liability insurance form that does not insure on a primary basis the owners of the **autos** and their agents and employees while the **autos** are being used exclusively in the **truckers** business and pursuant to operating rights granted to the **trucker** by a public authority.

b. Any rail, water or air carrier or its employees or agents, other than you and your employees, for a **trailer** if **bodily injury** or **property damage** occurs while the **trailer** is detached from a covered **auto** you are using and:

(1) Is being transported by the carrier; or

(2) Is being loaded on or unloaded from any unit of transportation by the carrier.

B. The following TRAILER INTERCHANGE COVERAGE provisions are added:

1. COVERAGE

a. We will pay all sums you legally must pay as damages because of **loss** to a **trailer** you don't own or its equipment. The **trailer** must be in your possession under a written **trailer** or equipment interchange agreement in which you assume liability for **loss** to the **trailer** while in your possession.

b. We will pay for **loss** to the **trailer** under:

(1) **Comprehensive Coverage.** From any cause except:

(a) The **trailer's** collision with another object; or

(b) The **trailer's** overturn.

(2) **Specified Causes of Loss Coverage.** Caused by:

(a) Fire, lightning or explosion;

(b) Theft;

(c) Windstorm, hail or earthquake;

(d) Flood;

(e) Mischief or vandalism; or

(f) The sinking, burning, collision or derailment of any conveyance transporting the **trailer**.

(3) **Collision Coverage.** Caused by:

(a) The **trailer's** collision with another object; or

(b) The **trailer's** overturn.

c. We have the right and duty to defend any **suit** asking for these damages. However, we have no duty to defend **suits** for **loss** not covered by the Coverage Form. We may investigate and settle any claim or **suit** as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

d. COVERAGE EXTENSIONS

Supplementary Payments. In addition to the Limit of Liability, we will pay for you:

(1) All expenses we incur.

(2) The cost of bonds to release attachments, but only for bond amounts within our Limit of Insurance.

(3) All reasonable expenses incurred at our request, including actual loss of earnings up to \$100 a day because of time off from work.

(4) All costs taxed against the **insured** in any **suit** we defend.

(5) All interest on the full amount of any judgment that accrues after entry of the judgment; but our duty to pay interest ends when we have paid, offered to pay, or deposited in court the part of the judgment that is within our Limit of Insurance.

2. EXCLUSIONS

a. We will not pay for **loss** caused by or resulting from any of the following. Such **loss** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the **loss**.

- (1) Nuclear Hazard.
 - (a) The explosion of any weapon employing atomic fission or fusion; or
 - (b) Nuclear reaction or radiation, or radioactive contamination, however caused.
- (2) War or Military Action.
 - (a) War, including undeclared or civil war;
 - (b) 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
 - (c) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

b. We will not pay for **loss** of use.

c. We will not pay for **loss** due to or as a consequence of a seizure of a covered **trailer** by federal or state law enforcement officers as evidence in a case against you under the Texas Controlled Substances Act or the federal Controlled Substances Act if you are convicted in such case.

d. Other Exclusions.

We will not pay for **loss** caused by or resulting from any of the following unless caused by other **loss** that is covered by this insurance.

(1) Wear and tear, freezing, mechanical or electrical breakdown.

(2) Blowouts, punctures or other road damage to tires.

3. LIMIT OF INSURANCE AND DEDUCTIBLE

The most we will pay for **loss** to any one **trailer** is the least of the following amounts minus any applicable deductible shown in the Schedule or in the Declarations:

- a. The actual cash value of the damaged or stolen property at the time of the **loss**.
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- c. The Limit of Insurance shown in the Schedule or in the Declarations.

C. PHYSICAL DAMAGE COVERAGE is changed by adding the following exclusion:

We will not pay for **loss** to:

Any covered **auto** while in anyone else's possession under a written trailer interchange agreement. But this exclusion does not apply to a loss payee; however, if we pay the loss payee, you must reimburse us for our payment.

D. The OTHER INSURANCE CONDITION is replaced by the following:

5. OTHER INSURANCE—PRIMARY AND EXCESS INSURANCE PROVISIONS

a. This Coverage Form's Liability Coverage is primary for any covered **auto** while hired or borrowed by you and used exclusively in your business as a **trucker** and pursuant to operating rights granted to you by a public authority. This Coverage Form's Liability Coverage is excess over any other collectible insurance for any covered **auto** while hired or borrowed from you by another **trucker**. However, while a covered **auto** which is a **trailer** is connected to a power unit, this Coverage Form's Liability Coverage is:

- (1) On the same basis, primary or excess, as for the power unit if the power unit is a covered **auto**.
- (2) Excess if the power unit is not a covered **auto**.

b. Any Trailer Interchange Coverage provided by this Coverage Form is primary for any covered **auto**.

c. Except as provided in paragraphs a. and b. above, this Coverage Form provides primary insurance for any covered **auto** you own and excess insurance for any covered **auto** you don't own.

d. Regardless of the provisions of paragraphs a., b., and c. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an **insured contract**.

e. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.