

Motor Truck Cargo (Owner's Form) Named Perils

1. Indemnity Agreement

In the event that any of the property insured, be lost, destroyed or damaged by the perils insured against, the Insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of:

- (a) the actual cash value of the property at the time of loss, destruction or damage or as modified by clause 8 herein;
- (b) the interest of the Insured in the property;
- (c) the amount(s) of insurance stated on the "Declaration Page(s)" in respect of the property lost, destroyed or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the said specified amount(s) of insurance.

If any of the insured property is necessarily removed from the location(s) specified on the "Declaration Page(s)" to prevent loss, destruction or damage or further loss, destruction or damage thereto, that part of the insurance under this Form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for seven (7) days only, or for the unexpired term of the policy if less than seven (7) days, insure the property removed and any property remaining in the location(s) specified on the "Declaration Page(s)" in the proportions which the value of the property in each of the respective locations bears to the value of the property in them all.

Debris Removal Extension

- (i) Debris Removal: The Insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this Form.

The amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss to property insured plus the amount of the applicable deductible.

- (ii) Removal of Windstorm Debris: The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this Form but which has been blown by windstorm upon a location specified on the "Declarations Page".

Extensions of coverage (i) and (ii) do not apply to costs or expenses:

- (a) to "clean up" "pollutants" from land or water; or
- (b) for testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened, spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the co-insurance clause.

The above extensions of coverage shall not increase the amounts of insurance applying under this Form and are subject to all conditions of this Form.

2. Property Insured

This Form insures lawful goods, merchandise, or property of the Insured or for which the Insured is responsible, or sold by the Insured and in course of delivery. Coverage applies while such goods and merchandise are in the custody and control of the Insured but only while loaded for shipment and in transit, in or on vehicles that are owned, leased and operated by the Insured.

3. Amounts of Insurance

The maximum liability of the Insurer in any one loss shall not exceed 100% of the amount(s) of insurance stated on the "Declaration Page(s)" in respect to:

- (a) Any one vehicle listed on the "Declaration Page(s)";
- (b) The Catastrophe limit stated on the "Declaration Page(s)" for loss or damage in any one accident or occurrence involving two or more vehicles.

4. Perils Insured

This Form insures the liability of the Insured against direct physical loss or damage caused by the following perils:

- (a) fire (including self-ignition and internal explosion of the conveyance) or lightning;
- (b) windstorm, tornado or cyclone;
- (c) flood - meaning the rising of navigable waterways excluding tides;
- (d) collision - meaning the accidental collision of the vehicle described on the "Declaration Page(s)" with any other vehicle or object excluding the striking of curbing or any portion of the roadbed or the striking of rails or ties of street, steam or electric railroad, streetcar tracks or coming in contact with a stationary object in backing for loading or unloading purposes or the coming together of tractor and trailer during coupling or uncoupling;
- (e) upset or overturn of the vehicle described on the "Declaration Page(s)";
- (f) collapse of bridges, docks or culverts;
- (g) stranding, sinking, burning or collision of any regular ferry including general average and salvage charges; and, if indicated on the "Declaration Page(s)";
- (h) theft following upon felonious entry into the vehicle body or vehicle trunk containing the insured property by actual force and violence as evidenced by visible marks at the place of such entry.

5. Exclusions

A. Losses Excluded

This Form does not insure:

- (a) money, bullion, securities, stamps, tickets and tokens, evidence of debt or title;
- (b) jewellery or other valuables; silks, furs, tobacco products or alcoholic beverages unless specified on the "Declaration Page(s)";
- (c) livestock except against total loss only or injury rendering destruction immediately in consequence of an insured peril or escape in consequence of an insured peril;
- (d) paintings, statuary, other works of art and articles of virtue except against absolute total loss by an insured peril;
- (e) loss or damage caused by rough handling or poor packing;
- (f) loss or damage to the vehicle, tarpaulins or fittings;
- (g) loss, destruction or damage caused directly or indirectly by misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted;
- (h) loss or damage caused directly or indirectly by:
 - (i) any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
 - (ii) contamination by radioactive material;
- (i) loss, destruction or damage caused by civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.

B. Pollution Exclusion

This Form does not insure against:

- (a) loss or damage caused directly, or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up", but this exclusion does not apply:
 - (i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril otherwise excluded under this Form;
 - (ii) to loss or damage caused directly by a peril not otherwise excluded under this Form.
- (b) cost or expense for any testing, monitoring, evaluation or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

Special Conditions

6. Deductible

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured under this Form exceeds the deductible as stated on the "Declaration Page(s)" in any one occurrence.

7. Co-Insurance Clause

The Insurer is liable for no greater proportion of any loss or damage to the insured property than the amount insured bears to the actual cash value of the insured property. This condition applies to each vehicle separately.

8. Invoice Cost

In the event of loss or damage to a shipment covered by an invoice, the insured property is valued at actual invoice cost. If there is no invoice, the basis of settlement is as provided in the policy conditions.

9. Substitution

The Insured may substitute at any time during the currency of the Policy other vehicles for those described provided substituted vehicles are owned, or operated by the Insured. The Insured hereby warrants to report to the Insurer in writing all such substitutions within 30 days thereof and to pay additional premium if required.

10. Trailers

This Form does not cover the insured property while in or on any trailer or detachable truck body unless such trailer or body is actually attached to or loaded on the chassis of a vehicle that is owned, leased and operated by the Insured.

11. Territorial Limits

This Form covers only within the territorial limits of Canada and the continental United States of America (excluding Alaska).

12. Reporting Clause

(This clause applies only if this Form is on a reporting basis and an adjustment rate is shown on the "Declaration Page(s)".)

- (a) The premium shown on the "Declaration Page(s)" is provisional only.
- (b) The Insured shall render to the Insurer or its duly authorized agent within 6 months of the expiry of this policy a statement showing the true and correct amount of gross receipts (whether collected or not) of preceding year's trucking business. The rate stated on the "Declaration Page(s)" shall be applied to the gross receipts figure duly reported and the earned premium determined.
- (c) If the earned premium so determined exceeds the provisional premium, then the Insured shall pay the Insurer forthwith the difference.
- (d) If the earned premium is less than the provisional premium then the Insurer shall refund the difference forthwith to the Insured, subject to a minimum retained premium of 50% of the provisional premium.
- (e) The Insurer or its duly authorized representative shall be permitted at all reasonable times during the term of the policy or within a year after termination or expiration to examine the Insured's books, records and such policies as relate to any property insured hereunder. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of the Form.

13. Reinstatement

Any loss hereunder shall not reduce the amount of insurance applicable to this Form.

14. Definitions

Wherever used in this Form:

- (a) "Vehicle Body" means a fully enclosed vehicle body of metal construction.
- (b) "Vehicle Trunk" means a vehicle trunk which is physically separated from the passenger section of the vehicle.
- (c) "Vehicle" means a truck, a trailer, an automobile, a station wagon or a panel.
- (d) "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (e) "Clean Up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.
- (f) "Declaration Page(s)" means the Declaration Page(s) applicable to this Form.