

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA – TRUCKERS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

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

Named Insured:
Endorsement Effective Date:

SCHEDULE

For those covered "autos" used in your operations as a "trucker" the liability "cost of hire" provisions in the Declarations of the policy 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 types" you borrow or rent from members of your household, your partners, 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" is used as a premium basis:

SCHEDULE FOR "GROSS RECEIPTS" RATING BASIS – LIABILITY COVERAGE

Estimated Yearly Gross Receipts:	
Rates (Per \$100 Of Gross Receipts)	
Liability Coverage	\$
Medical Expense Benefits	\$
Premiums	
Liability Coverage	\$
Medical Expense Benefits	\$
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 Receipts" 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.
5. Warehouse storage fees.

This endorsement provides only those coverages where a charge is shown in the premium column below.

SCHEDULE OF TRAILER INTERCHANGE INSURANCE

Coverages	Limit Of Insurance	Estimated Premium
Comprehensive	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Trailer	
Specified Causes Of Loss	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible For Each Trailer	
Collision	Least Of Actual Cash Value, Cost Of Repair Or	\$
	\$ Limit Of Insurance	
	\$ Deductible 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" in the box.

- 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 changed to read as follows:

1. Who Is An Insured

The following are "insureds":

- 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 or anyone else from whom you hire or borrow a covered "private passenger type".

- (2) Your "employee" or agent if the covered "auto" is a "private passenger type" and is owned by that "employee" or agent or member of his or her household.
- (3) Someone using a covered "auto" while they are working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners, a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner of yours for a covered "private passenger type" 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" which is a "trailer" while the "trailer" is connected to another covered "auto" which 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 not insured for hired "autos" under an "auto" liability insurance form that insures on a primary basis the owners of the "autos" and their agents and "employees" while the "autos" are being used exclusively in the "trucker's" 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" for these damages, even if the "suit" is groundless, false or fraudulent. However, we have no duty to defend "suits" for any "loss" to which this insurance does not apply. 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

The following applies as Supplementary Payments. We will pay for you:

- (1) All expense 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 earning up to \$250 a day because of time off from work.
- (4) All court costs taxed against the "insured" in any "suit" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (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.
- (6) Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

These payments will not reduce the 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 contributed concurrently or in any sequence to the "loss".
 - (1) **Nuclear Hazard**
 - (a) The explosion of any weapon employing atomic fusion or fission; 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. **Other Exclusions**
We will not pay for "loss" due and confined to:
 - (1) Wear and tear, freezing, mechanical or electrical breakdown.
 - (2) Blowouts, punctures or other road damage to tires.
This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

3. Limit Of Insurance

The most we will pay for "loss" to any one "trailer" is the least of the following amounts:

- 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.

4. Deductible

For each covered "trailer", our obligation to pay:

- a. The actual cash value of the damaged or stolen property at the time of the "loss" will be reduced by the applicable deductible shown in the Schedule.
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality will be reduced by the applicable deductible shown in the Schedule.
- c. The damages for "loss" that would otherwise be payable will be reduced by the applicable deductible shown in the Schedule prior to the application of the Limit of Insurance shown in the Schedule.

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:

1. 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. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is deemed to be a covered "auto" you don't own.
- e. 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".
- f. 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.

E. Additional Definitions

As used in this endorsement:

- 1. "Trailer" includes a semitrailer or a dolly used to convert a semitrailer into a trailer. But for Trailer Interchange Coverage only, "trailer" also includes a container.
- 2. "Private passenger type" means a private passenger or station wagon type "auto" and includes an "auto" of the pick-up or van type if not used for business purposes.
- 3. "Trucker" means any person or organization engaged in the business of transporting property by "auto" for hire.

SPECIMEN