



INNOVATIVE INSURANCE SOLUTIONS, INC.

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GUIDELINES

MOTOR TRUCK CARGO

GENERAL INFORMATION

- Policy is on a surplus lines basis.
- One-unit accounts are acceptable.
- Smaller fleets will be rated on a per truck basis. Larger fleets will be rated on gross receipts basis. The policy is auditable.
- Trailer Interchange coverage is available by endorsement.
- Truck Brokering coverage is available by endorsement, but only when it represents a limited portion of the insured's operations (i.e., less than 25% of revenue).
- The minimum premium per policy will be \$1,000.
- The minimum earned premium will be 25% of the gross premium or \$250, whichever is greater.
- Commission for the retail broker on standard accounts will be 12.5%. The commission rate will be determined on a case-by-case basis for accounts that fall outside of the standard underwriting guidelines.
- There is no commission for IISI included in the gross premium. IISI will derive its sole compensation via a fully earned policy fee, which will be calculated as the sum of a \$100 fixed amount and 5% of the gross premium, with a minimum fee of \$150 per policy. No additional fee (i.e., transactions fee) will be charged for endorsements and other policy changes. If the account is financed through a premium finance company, the fully earned policy fee should not be included in the amount financed.
- Payment in full is due in IISI's office within 21 calendar days of the policy effective date.

STANDARD UNDERWRITING GUIDELINES

- Limits of \$50,000, \$100,000 and \$150,000 are available under the standard policy guidelines. Higher limits will be considered on an individual underwriting basis.
- Deductibles of \$1,000 and \$2,500 are available. Higher deductibles are available upon request.
- Minimum deductible for Refrigeration Breakdown is \$2,500. Refrigeration Trailers over 10 years old will be subject to a minimum deductible of \$3,500, as well as an alternative version of the Refrigeration Breakdown Endorsement.
- Examples of covered commodities in the basic policy:



- Agricultural Goods
- Bulk Liquids
- Cotton
- Flatbed Commodities (e.g., Cotton, Iron, Steel, etc.)
- Groceries
- Petroleum
- Refrigerated Commodities, by endorsement (but excluding seafood, see below)
- The following types of commodities are **excluded** on the basic policy, but coverage can be included on an individually underwritten basis:
 - Alcohol, Beer and Wine
 - Autos, Boats, Mobile Homes and Motorcycles
 - Electronics
 - Garments / Clothing
 - Seafood
 - Tobacco Products
- Carriers of “household goods” (i.e., moving/storage providers) cannot be written under the program.

ENDORSEMENTS AVAILABLE

- Contingent Transit (i.e., Truck Brokering)
- Debris Removal
- Earned Freight Charges
- In Full Premium (i.e., Non-Auditable Policy)
- Refrigeration Breakdown
- Refrigeration Breakdown Version 2 (for trailers older than 10 years)
- Riggers
- Target Items
- Trailer Interchange
- Unattended Truck

IMPORTANT NOTE ABOUT COVERAGE IN THE BASIC POLICY

The program is structured with the Basic Policy having significant restrictions. The intention is that the insured's specific needs can be covered by including relevant endorsements. As such, it is very important to review the policy wording with respects to risks presented by each insured's operations. Likewise, the standard Target Items endorsement is limited (\$25,000 limit with a \$5,000 deductible), and would only be appropriate for an insured with very limited exposure to the loss of target items (i.e., where target items represented a small proportion of the overall load). There is a co-insurance clause in the policy, as well, so it is critical to obtain limits high enough to cover the full value of each load. In short, as noted below, the underwriter is committed to providing the proper coverage. **The key, however, is to understand the insured's operations and fully disclose the insured's exposures and needs in the application.**



UNDERWRITING NON-STANDARD APPLICANTS

It is the intention of this program to entertain submissions from a broad range of applicants. As such, submissions for accounts that fall outside of the standard underwriting guidelines—based on desired deductible, based on operations, based on the commodities hauled, etc.—are encouraged. It is expected that most applications will receive a quote.

DOCUMENTS REQUIRED FOR QUOTE

Application

DOCUMENTS REQUIRED TO BIND

Application (signed by insured)

OTHER REQUIREMENTS

Original Binding Documents (with “wet” signature on Application)