

# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## TRANSPORTATION & LOGISTICS COUNCIL 44<sup>TH</sup> ANNUAL CONFERENCE

PRESENTED BY

MARK YUNKER, VICE PRESIDENT



Benefits and Risk Consulting

Investments, securities and insurance products:

NOT FDIC INSURED	NOT BANK GUARANTEED	MAY LOSE VALUE
NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY		NOT A DEPOSIT

*Please see final page for important disclosure information >>*



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## LIABILITY INSURANCE LIMITS

### COMBINED SINGLE LIMITS INTRODUCED BEFORE 1986

- General liability limits
  - \$1,000,000 per occurrence
  - \$1,000,000 personal and advertising injury
  - \$300,000 damage to rented premises
  - \$5,000 medical payments
  - \$2,000,000 products comp op'n. aggregate
  - \$2,000,000 general aggregate
- Examples – What we can't do
  - \$1,000,000 for injuries and \$1,000,000 for property damage
  - \$1,000,000 per occurrence for bodily injury/\$3,000,000 aggregate
  - \$2,000,000 general aggregate and per location box checked
  - \$2,000,000 general aggregate and per project box checked



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## AUTO LIABILITY LIMITS

- \$1,000,000 per accident
- Examples – What we can't do
  - \$1,000,000 per occurrence/  
\$2,000,000 aggregate
  - \$1,000,000 bodily injury and  
\$1,000,000 property damage
  - \$1,000,000 bodily injury and  
\$250,000 property damage



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## Pop Quiz

- WC quiz – Which policy pays what amount?
  - Serious accident – \$500,000 medical + \$475,000 disability + \$350,000 income loss
  - \$100,000/\$100,000/\$500,000
  - \$500,000/\$500,000/\$500,000
  - \$1,000,000/\$1,000,000/\$1,000,000



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## WORKERS COMPENSATION

- EL limits
  - \$100,000 EL each accident
  - \$100,000 EL disease each employee
  - \$500,000 EL disease policy limit
- What we can't do
  - \$1,000,000 CSL
  - \$1,000,000 each occurrence/  
\$2,000,000 aggregate



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## ADDITIONAL INSURED REQUESTS

- CGL – Only policy where it makes sense
- Auto – Coverage trigger is covered auto
- Umbrella – Impossible, but...
- Cargo – Impossible and nonsensical
- Workers compensation
  - Impossible in all states
  - Illegal in many states



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## FORMS AND ENDORSEMENTS

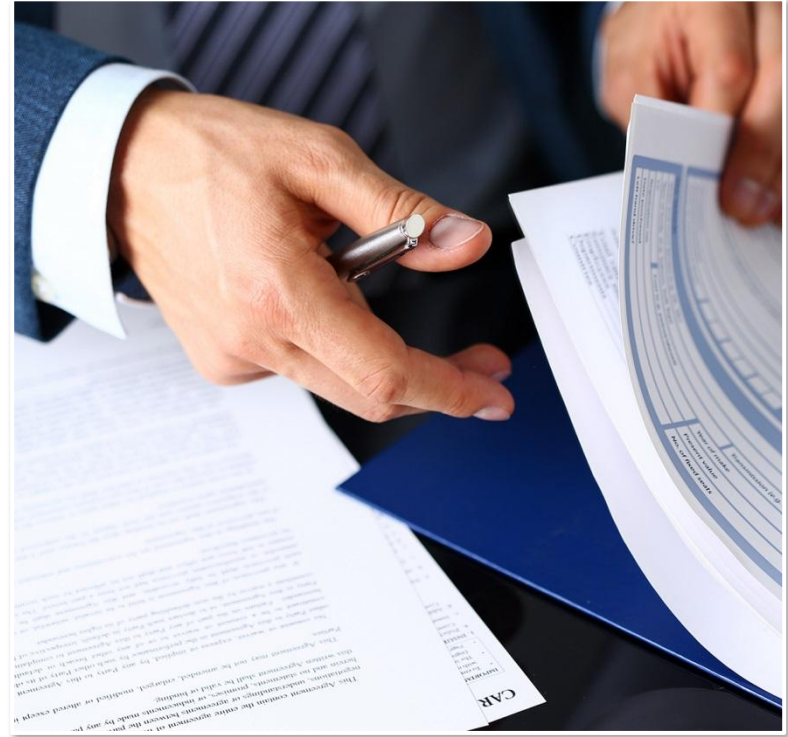
- CG 25 04 – Designated locations aggregate
- CG 25 03 – Designated projects aggregate
- CG 20 10 – Owners lessees or contractors
  - Which edition and does it matter?
  - Add to auto policy
- CA 20 48 – Designated insured
- CA 99 48 – Pollution endorsement
- Cargo – Loss payee



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## MORE FORMS AND ENDORSEMENTS

- MCS-90 endorsement on broker's auto insurance
- Cargo insurance with no employee dishonesty exclusions
- Cargo insurance with BMC-32 endorsement
- Cargo insurance with no exclusions
- Employee dishonesty insurance
  - Broker and carrier





# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## CERTIFICATE VERBIAGE

- Broker's insurance must be primary
- “Should any of the above captioned policies be cancelled before the expiration date thereof, or should there be any material change in any policy the issuing insurer shall provide not less than 30 days written notice to {shipper} prior to any change or cancellation”
- Certificate holder (et al) are included as additional insureds and loss payee



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## REQUESTS CERTAIN TO CAUSE TROUBLE

### ADDITIONAL INSURED ON THE WRONG POLICY

- Applies to GL only
- Add to MC's policy

### INAPPROPRIATE STATUS

- Loss payee on cargo

### CANCELLATION LANGUAGE

- The old language is gone!



# INSURANCE CONUNDRUMS, TERMS AND REQUESTS

## Pop Quiz

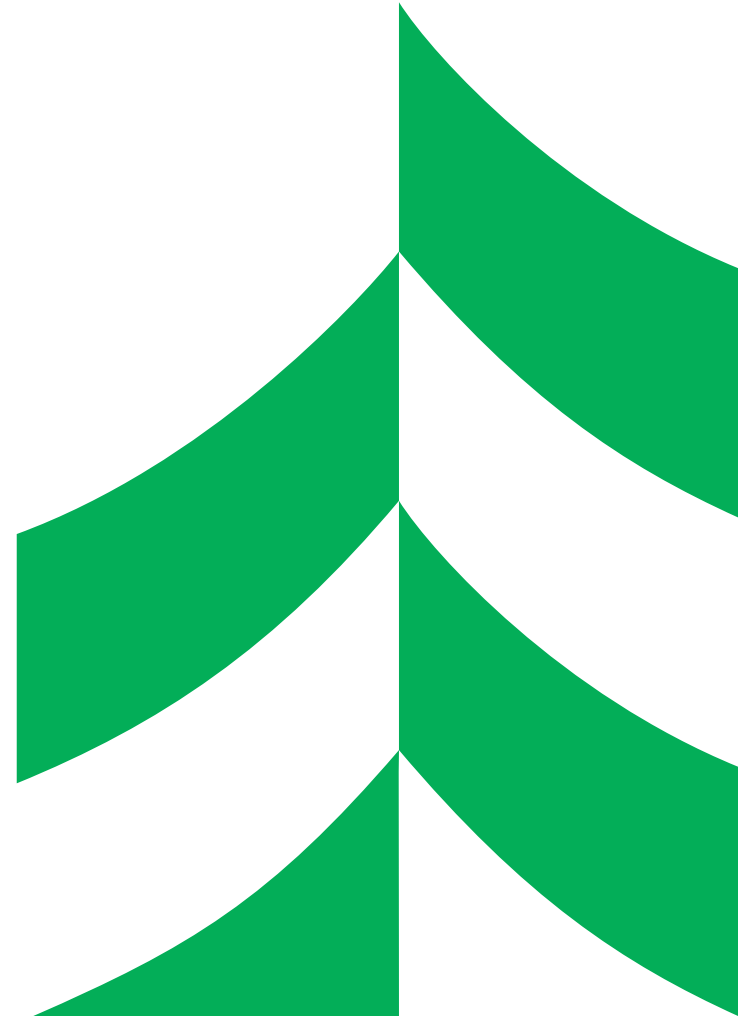
CHRISTOPHER REED, Individually  
and as Administrator for the  
ESTATE OF AMBER REED,  
JASON CLARK,  
LACEY FREDERICS,  
HARVEY KIMBLE, Personal  
Representative for the ESTATES  
OF ALVIN KIMBLE and GAIL  
KIMBLE,  
KEARA CARPENTER, and  
JACKIE NOVAK, Administrator for  
the ESTATE OF CHARLES  
NOVAK  
Plaintiffs,

**VS.**

FERRARA PAN CANDY  
COMPANY, INC.,  
GREAT WEST CASUALTY  
COMPANY, INC.  
GLOBE CARRIER COMPANY,  
ROUMEN VELKOV, and  
GERGANA LAZOVA,  
Defendants.



**THANK YOU!**



# IMPORTANT DISCLOSURES

## Investments, securities and insurance products:

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