


# Cargo Coverage Comparison


## Occurrence

## Motor Truck Cargo Legal Liability


## All-Risks, Direct Damage, Shipper's Interest Insurance


*A freight broker enters into a contractual agreement with the shipper under which the freight broker agrees to indemnify the shipper for any loss or damage to the cargo.*

 The agreement between the broker and shipper do not create a contractual obligation for the motor carrier. The cargo legal liability form will only respond to a loss where the motor carrier is legally liable under either the terms of the contract with the broker (if one exists) or as a common carrier.


 This claim would be paid under "All-Risk" Insurance coverage.


*A storm develops and damages the freight in transit.*

 The cause of loss would be considered an Act of God. The carrier has no control over this situation, therefore, no contributory negligence and no claim payment by most insurance carriers.


 This claim would be paid under "All-Risk" Insurance coverage.


*An employee working for the motor carrier transporting the cargo is involved in the theft of cargo being transported.*

 Most all cargo legal liability policies contain an exclusion for fraud or theft that involves an employee or agent.


 This claim would be paid under "All-Risk" Insurance coverage.


*The trucker leaves his vehicle unattended during a stop at rest area. Upon return to the parking lot the truck is missing.*

 Unattended vehicle is a typical exclusion under many Motor Truck Cargo Legal Liability policies.


 This claim would be paid under "All-Risk" Insurance coverage.


*The motor carrier's insurance policy covers only named vehicles. Due to an error the vehicle involved in a claim was not added to his policy.*

 Some policies will exclude coverage on unscheduled pieces of equipment.

 This claim would be covered under "All-Risk" Insurance coverage.

*Motor carrier is making a delivery to a plant where employees are picketing causing damage to the load.*

 Strikes, Riots and Civil Commotions are excluded by many insurance carriers.

 This claim would be covered under "All-Risk" Insurance coverage.