



TRANSPORTATION POLLUTION LIABILITY INSURANCE

Through Axon, transportation and logistics industry companies will receive transportation pollution liability protection for an affordable premium. A summary of the coverages and exposures are contained below:

Goal: Provide broad pollution coverage for transportation industry companies relying solely on the CA 9948 for pollution coverage.

Coverage Benefits: Benefits to Insureds include affirmative coverage for the following items:

Uninsured or Ambiguous on the CA 9948:

1. During, prior and subsequent to loading and unloading (with over 90% of all spills occurring during loading and unloading this coverage is critical).
2. Liability assumed by contract
3. Natural Resource Damage
4. Storage (release of pollution while not in transit). This may apply for drop tank trailers, (where fuel trailers are dropped for customer use), and cargo otherwise at rest (parked overnight at a terminal)
5. Misdelivery related to pollution

Additional coverage benefits in our form include:

- Waste Disposal Site Coverage
- Site Pollution Coverage
- 24/7 emergency spill response support hotline
- Payment of **Environmental Crisis Management** fees
- Having an experienced pollution carrier respond to a spill not only simplifies and expedites the claims handling process, it helps prevent against civil penalties and fines for incorrect or late reporting of spills to regulatory agencies (e.g. local municipalities). This has been a major issue with auto carriers not familiar with proper pollution reporting procedures.
- Civil fines, penalties or assessments (typically not covered by the CA Form).

MCS-90:

Often overlooked or misunderstood, failure to understand the MCS-90 endorsement may result in a significant uninsured loss:

- The endorsement is an obligation of financial responsibility only, not insurance.
- Even though the insurer is obligated to pay damages from contamination/pollution-type claims (provided the contamination or pollution is from a commodity hauled in the motor vehicle), all terms, conditions, exclusions and limitations that are contained in the policy to which the MCS-90 is attached remain binding between the insured and insurer.



- The MCS-90 is straight forward in its assertion that the insured reimburse the insurance company for payments made resulting from a violation of the policy, or that would not have been required under the policy's terms.
- The endorsement is not a warranty by the insurer that the limits shown meet federal minimums; it is the motor carrier's obligation – not the obligation of the insurer - to determine its required limits of insurance

MCS-90 Issue Example:

If an insurer is required by the MCS-90 to pay damages for environmental restoration, but the Business Automobile policy to which the MCS-90 is attached excludes pollution, the insurer must still pay for the environmental restoration costs. However, in this example, not only does the insurer have a contractual right to full reimbursement, the insured agrees to make such reimbursement to the insurer for such sums paid.

Pollution Coverage Description:

Form:	Navigators Contractors' Pollution Liability Toolkit II
Amendments:	Axon Edge Endorsement – Exclusive Form Enhancements Transportation and Waste Disposal Only Coverage Site Pollution – Locations scheduled on Dec Page State Amendatory (if required)
Form Type:	Non-Admitted (Except for NY and NJ)
Availability:	Available in all states (subject to compliance with NY Free-Trade Zone)
Deductible:	Multiple Options Available from \$1,000
Term:	12 months
Policy Fee:	where allowable
Commission:	TBD
Application:	Modified, shortened application