

Navigating Trucking Insurance for Independent Insurance Agents of Illinois

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PREFACE

W. A. Schickedanz Agency, Inc. / Interstate Risk Placement, Inc. has produced this document to help producers understand requirements that Commercial Auto Underwriters must address to successfully and ethically market Trucking Risks.

Commercial Auto is a very competitive sector of the specialty insurance marketplace. Each risk has several variables. Each one of these variables by themselves can dramatically change how you market your account. Driver Turnover, Loss History, Safety Infractions, Routes, MVR Violations, Driver Log Violations, FPS & Navigation & Monitoring, Lease & Maintenance Agreements, Revenue Per Mile, Commodity being Hauled, DOT Filing Requirements, Governmental Regulation, just to name a few.

It is important for you as the producer to make sure you verify all of these requirements before you deliver your submission to your underwriter. Saying there are no losses on an account, when SAFER & CAB show two fatalities is going to throw up a red flag right away. Once the underwriter becomes aware that not even the basics have been looked at, your credibility is gone with that underwriter. You are the glue that brings the insured and the carrier together. The most successful transportation brokers are very aware and use that awareness to create a competitive advantage.

Commercial Auto Underwriters are the first line of defense for the insurance companies. Their job is to gather and analyze the information you provide them. If you omit information and leave it to an underwriter to assume or guess on the interpretation of that information, they will assume in favor of the insurance company and charge more premium. Underwriters dot I's and cross T's.

Plaintiff Attorneys prepare lawsuits by looking at all the same data underwriters use to determine pricing. Attorneys look at all the information and they too, create a picture of an unsafe operation. For example: Multiple "low treadware violation" does not just mean the insured needs new tires. Plaintiff attorneys who are doing their job will say that the insured has shown a flagrant disregard for safety & DOT regulations, and has poorly maintained their fleet. They would rather put company profits in their pockets than new tires on their trucks. Once a bad picture is painted of an insured, in front of a jury, the judgements can be staggering. Full policy limit payouts will affect your insured for at least three years. They will pay at least 25% to 100% more for insurance.

The most successful transportation agents understand how the underwriting information correlates together. It makes it much easier to deal with both the company underwriters and your clients when you understand the relationship between different pieces of information. It will make carrier selection easier. Time won't be wasted submitting business to programs that don't fit your clients risk's underwriting information. For example, Some insurance companies will not accept risks with loss ratios over 30%, other will not entertain risks hauling certain commodities like coal, while most carriers do not want new ventures.

The best way to approach an account is to contact an underwriter several months prior to the effective date with the DOT number. Ask them to look at the risk on the CAB (Central Analysis Bureau) to see if anything jumps out at them that might deter you from being able to effectively market the account. For example, Multiple Fatality Accidents, Drug & Alcohol Violations, USDOT Authority Revocations, Serious Safety Violations. If the risk is worth pursuing, then you need to address any deficiencies that have shown up. For example, Explain Loss History – company loss runs are vague, Bad MVR's, Variances in IFTA's, Weak Financials, Minor Safety Violations. Again, none of these things will hurt the insured unless they are not explained. Underwriters also want to hear about any implementation to improve these issues.

This is a line of business that requires open and direct lines of communication. You absolutely can not effectively market the account without it. This should be established before you begin work. A well versed and knowledgeable broker brings value to the table that the insured needs and respects, and that is the ability to effectively market their account. If the insured does not think you have a grasp of the information underwriters need, then you are never going to get their business.

95% percent of the battle that is commercial auto is effectively marketing your account. Having an understanding of what types of information company underwriters are looking for, and how that information correlates together is what the insured needs and expects. Being able to explain underwriting deficiencies, with risk management techniques (i.e. new hiring standards, safety directors, new maintenance schedules, etc) will boost your credibility with the underwriters. Your apps will find their way to the top pile on your underwriter's desk. Your underwriter considers themselves as professional and you want them to think of you in that light too.

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DEFINITIONS

- **IFTA – Interstate Fuel Tax Agreement** – Report all interstate carriers keep track of miles in each state that they drive through. They pay fuel tax based on the miles traveled.
- **MCS-150 Motor Carrier Safety 150 Report** – Report all Truckers must fill out to be compliant with Federal Motor Carrier Safety Act. Can be viewed on SAFER or CAB website.
- **BCM 34 Federal Filing** – For common carrier Cargo compliant
- **91X Federal Filing for Liability** – compliance either \$750,000/\$1,000,000/\$5,000,000
- **Form 5C** – Provider list for the UIIA (Uniform Intermodal Interchange Association). Endorsement CA2317 is required on the Auto Liability policy along with this list the insured completes.
- **CSA 2010** – Compliance, Safety, Accountability – safety measurement and reporting initiative of the Federal Motor Carrier Safety Administration (FMCSA)
- **Motor Carrier** – A company that provides truck transportation. There are two types of motor carriers.
 - **Contract Carrier** – Provides for hire truck transportation to specific individual shippers based on contracts. Must file liability insurance.
 - **Common Carrier** – Provides for hire truck transportation to the general public. Must file both liability and cargo insurance.
- **Out of Service** – When a carrier is stopped and not allowed to move on because the inspector believes there is a mechanical condition or load is hazardous to operate and likely to cause an accident or a breakdown
- **Private Carrier** – Company that provides truck transportation of its own cargo, usually as part of a business that produces, uses, sells and or buys the cargo being hauled.
- **For Hire Carrier** – Company that transports cargo of others and is paid for it. To operate as an interstate for hire carrier, a company must register with Federal Motor Carrier Safety Administration. There are two types of for hire carriers.
- **Motor Truck Cargo** – Cargo once it is loaded onto the truck. Covers loss to hauled property.
- **General Liability** – Covers Trucker for losses associated with hauling. Slip & fall, damage to goods not on truck.

- **Trailer Interchange** – Physical Damage coverage on trailers of others by interchange agreement between two parties. Usually is figured by a limit and trailer days. Charge daily rated based on the physical damage. Number of days that a trucker pulls a trailer he does not own. Often used with Rail contained freight.
- **Non Owned Physical Damage** – Usually amounts will be determined by owner of the trailer
- **Intermodal Freight** – Containerized freight where in the entire container is loaded intact between different modes of transportation such as ships, trains and trucks.
- **Owner Operator** – Owns their own truck and hire on with a carrier
- **Dead Head** – Non Trucking Liability traveling in a truck with no trailer
- **Hopper bottom trailer** – Trailer that delivers its goods from the bottom of the trailer. Bottom opens up. Good for haulers of sticky material like coal & coke.
- **End Dump** – Dumps by hydraulic means up and out
- **Mechanical Dumps** – Conveyor system to deliver goods out the rear with no trailer lift. Good for hauling sticky material like coal & coke.
- **Named Driver Exclusion** – Excludes specific drivers from policies
- **Reefer trailer** – Refrigerated Trailer

CLASSIFICATIONS

- Light Truck – Trucks with a Gross Vehicle Weight (GVW) of 10,000 pounds or less
- Medium Truck – GVW between 10,001 – 20,000 pounds
- Heavy Truck – GVW between 20,001 – 45,000 pounds
- Extra Heavy Truck – GVW 45,000 pounds or more
- Truck Tractor – A motor vehicle for carrying commodities or material and equipped with a fifth wheel coupling device for semi trailers.
- Heavy Truck Tractors – GVW 45,000 pounds or less
- Extra Heavy Truck Tractor – GVW 45,001 or more
- Semi Trailer – A trailer equipped with a fifth wheel coupling device for use with a truck tractor, with load capacity of over 2,000
- Trailer – Any type trailer other than semi trailer with load limit over 2,000 pounds
- Service or utility trailer – Trailer including semi trailer with load capacity of 2,000 pounds or less

- If you have a hard time getting weight information go to <http://www.nisrinc.com/apps/cmvid/>
- If it has two axles it is extra heavy

- Service – Used to transport insured's personal tools to and from job sites
- Retail – Used to pick up property from, or deliver property to individuals households
- Commercial – Used for transporting property, other than those defined as service or retail

BUSINESS AUTO SYMBOLS

- Symbol 1 – Any auto, don't have to schedule them. Covers any auto as long as the insured is using it.
- Symbol 2 – Any owned auto. Covers only autos that the insured owns. Includes autos you acquire ownership of after the policy begins.
- Symbol 3 – Owned private passenger autos only. Covers private passenger autos. Includes autos you acquire after the policy begins.
- Symbol 4 – Owned autos other than private passenger autos only. Covers only those autos you own that are not private passenger and for liability for trailers you don't own while attached to power units you own. Includes those autos not of the private passenger type you acquire after the policy begins.
- Symbol 5 – Owned autos. Subject to No Fault State.
- Symbol 6 – Owned autos. Subject to Compulsory Uninsured Motorist Law. Form you attach when the state requires and insured can not reject uninsured motorist coverage. It includes autos you acquire during the policy period after the policy begins.
- Symbol 7 – Specifically described autos. Covers only described autos. Coverage follows power unit. Non owned trailers have liability with this form.
- Symbol 8 – Hired Auto Only. Covers auto you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your employees, partners or members, etc.
- Symbol 9 – Non-Owned Autos Only – Coverage auto you do not own, lease, hire, rent or borrow that are used in connection with your business. Includes auto owned by your employees, partners, members, etc.

TRUCKER SYMBOLS

- Symbol 41 – Any auto, don't have to schedule them. Covers any auto as long as the insured is using it.
- Symbol 42 – Owned autos only. Covers only autos that the insured owns. Includes autos you acquire ownership of after the policy begins.
- Symbol 43 – Owned commercial autos only. Covers owned trucks, tractors and trailers. Includes autos you acquire after the policy begins.
- Symbol 44 – Owned autos subject to No-Fault.
- Symbol 45 – Owned autos subject to Compulsory Uninsured Motorists Law.
- Symbol 46 – Specifically described autos. Covers only described autos. Coverage follows power unit. Non owned trailers have liability with this form.
- Symbol 47 – Hired Auto Only. Covers auto you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your employees, partners or members, etc.
- Symbol 48 – Trailers in your possession under a written Trailer or Equipment Interchange Agreement.
- Symbol 49 – Your Trailers in the Possession of anyone else under a written Trailer Interchange Agreement.
- Symbol 50 – Non-Owned Autos Only – Coverage auto you do not own, lease, hire, rent or borrow that are used in connection with your business. Includes auto owned by your employees, partners, members, etc.

MOTOR CARRIER SYMBOLS

- Symbol 61 – Any auto, don't have to schedule them. Covers any auto as long as the insured is using it.
- Symbol 62 – Owned autos only. Covers only autos that the insured owns. Includes autos you acquire ownership of after the policy begins.
- Symbol 63 – Owned private passengers autos only. Covers private passenger autos. Includes autos you acquire after the policy begins.
- Symbol 64 – Owned commercial autos only. Covers owned trucks, tractors, and liability for trailers you don't own while attached to power units you own. Includes those trucks, tractors and trailers you acquire after the policy begins.
- Symbol 65 – Owned autos. Subject to No Fault State.
- Symbol 66 – Owned autos. Subject to Compulsory Uninsured Motorist Law. Form you attach when the state requires and insured can not reject uninsured motorist coverage. It includes autos you acquire during the policy period after the policy begins.
- Symbol 67 – Specifically described autos. Covers only described autos. Coverage follows power unit. Non owned trailers have liability with this form.
- Symbol 68 – Hired Auto Only. Covers auto you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your employees, partners or members, etc.
- Symbol 69 – Trailers in your possession under a written Trailer or Equipment Interchange Agreement.
- Symbol 70 – Your Trailers in the Possession of anyone else under a written Trailer Interchange Agreement.
- Symbol 71 – Non-Owned Autos Only – Coverage auto you do not own, lease, hire, rent or borrow that are used in connection with your business. Includes auto owned by your employees, partners, members, etc.
- Symbol 79 – Mobile Equipment subject to Compulsory or Financial Responsibility or other motor vehicle insurance law.

AUTO LIABILITY TRUCKER LIABILITY COMPLIANCE

Federal Filing **91X** required by Federal Transportation Safety Administration

- Statutory Limits
 - \$750,000
 - \$1,000,000
 - \$5,000,000
- Typically Auto Liability policies are written on a Symbol 7 – Specifically Described Autos and are on a reporting form or a non reporting form
 - Reporting Form – Rates based on a monthly or yearly report – Revenue, Mileage Units.
 - Non Reporting Form – Symbol 1
- Auto Liability **Exclusions** to be aware of
 - Care Custody Control
 - Movement of property by Mechanical Device
 - Handling of Property
 - Expected or Intended Injury
 - Contractual
 - Worker’s Comp
 - Employees Indemnification & Employer’s Liability
 - Fellow Employees
 - Pollution
- Deductibles
 - Combined Deductible – Pay one deductible for Liability, Physical Damage, and Cargo
 - Aggregate Deductible – Pay up to the deductible amount during a policy period. Once reached insured has no more deductible.
 - Per Claim Deductible – Each line has a deductible on all lines, each and every loss.

CARGO

- Protects commodities, Goods of others is excluded from Auto Liability and General Liability, but truckers are still liable to protect.
- Can be written on named perils, broad form, or comprehensive coverage basis
- **Very few Cargo forms are the same. Need to make sure that the cargo form matches your commodity hauled.**
- Need to watch the various warranties and endorsements that each company puts on their cargo policies.
 - Locked Vehicle
 - Attended Vehicle
 - Trip Transit Coverage
 - Named Shipper Endorsement
 - Fenced Gated Yard – Gate needs to be closed and locked
 - Enclosed Building
 - Tarp; steel & cotton
 - Wrapping Materials
 - Reefer Excluded, need to buy an endorsement usually with \$2,500 deductible
 - Commodities Theft Limitation
 - Excludes Wetness, can buy back
 - Tarp Warranty – applies to flatbed guys with wet loads
 - Excludes Spoilage for reefer coverage
 - Alarm Locked Vehicle Warranty
 - Excludes certain cargo. Liquor, Tobacco, Furs, & Eggs.
 - Various commodity exclusion. Wine, Beer, Electronics
 - Excludes loss from rain, sleet, hail or snow
 - Unattended Truck/Loaded Truck Warranty for theft
 - Check the declaration page and quotes to see what is and is not covered and what form it is written on. Make sure the shippers approve the form

- Combined Deductible on Cargo, Physical Damage
 - Check for increased Deductible on theft
 - Must request reefer breakdown, debris removal, and earned freight.
Will not be automatically added to the policy.
 - Check quote to see if you are getting Named Perils or Broad Form
 - Check for higher theft deductibles
 - Insufficient securing of load
 - Excludes cotton unless less than 72 hours after ginning
-
- Things to watch – Always ask for a sample copy of the forms...Always
 - Higher deductibles with certain perils, like theft
 - Make sure you know if Reefer Breakdown is included
 - Excludes Perils
 - Check the Warranties
 - Unattended Vehicle Warranties – typically the endorsement does not exclude a vehicle locked in a building or behind a locked fence.
 - Locked Vehicle Exclusion

GENERAL LIABILITY

- ISO Classification guidelines indicate premium basis is payroll of terminal employees and garage and or repair persons, but not the drivers.
- The payroll of employees engaged in collection and delivery of merchandise on foot shall not be used in computing premium.
- Possible Liability Exposures
 - Insured loads and unloads cargo
 - Customer comes on insured's premises for business purposes.
 - Loading and unloading using a devise not attached to the truck or trailer. Drop cargo en route to truck.
 - Erroneous delivery of products, including liquids i.e. delivers diesel in a gasoline tank.
 - Sells equipment like a tire to another party
 - Guard dog or any dog on premises

- **It is very important to gather the correct payrolls for the operation. Each policy is subject to Premium Audit and they will be audited.**

PHYSICAL DAMAGE

- Can be written with Liability & Cargo or written Mono-line on a new or stated value
- Things to be aware of
 - Deductibles – aggregate, per occurrence, or combined
 - Perils covered – Named Perils vs. Broad Form
 - Broad form covers windows and tires
 - Named perils covers mot perils but does not cover windows and tires

**SAFER SYSTEM –
SAFETY & FITNESS ELECTRONIC
RECORDS SYSTEM &
CAB – CENTRAL ANALYSIS BUREAU**

www.safer.org

- Utilized by all underwriters to gain information about a motor carrier
 - Accident History on the carrier and injury information and number of losses
 - Financial History of the carrier
 - Out of Service History
 - Driver Safety History
 - Can track vehicle VIN and tell how many authorities a vehicle has hauled for
 - Repair information on VIN#
 - DOT Inspection reports detailed ratio reports on citations
 - MC numbers – motor carrier
 - Authority History – can tell if there has been any issues or revocations
 - Insurance History and effective date
 - Type of Authority, Brokerage, Common, Contract Hauling
 - And Much, Much More Information
-
- Basically, these are the sites that we go to, to verify the information on the application and loss runs.

CAB REPORT SAMPLE



Ratings / Scores

CAB Rating



DOT Rating

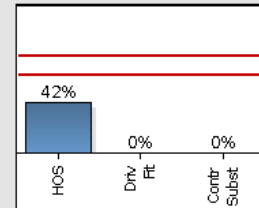


ISS-CAB (8/14/16)



Pass (Safety)*

*CAB BASIC Scores (7/22/2016)



| Names | Addresses | Contact Info |
|----------------------|--|--|
| XXXXXXXXXXXXXXXXXXXX | XXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX | XXX-XXX-XXXX XXX-XXX-XXXX XXX-XXX-XXXX XXXXXXX@gmail.com XXXXXXX |

| Operating Authorities | | | | | |
|-----------------------|------------------|--------------------|-------------------|------------------------------|-----------------|
| Docket # | Active Authority | Inactive Authority | Pending Authority | Revocation Pending Authority | Household Goods |
| MC | Common | | | | N |

| Alerts |
|---|
| <ul style="list-style-type: none"> ■ This motor carrier has exceeded the national average for out of service violations in the following categories: <ul style="list-style-type: none"> ■ Driver: 5.57% above the national average of 4.96% ■ Driver information is available for 1 inspection(s) on this report. ■ Derived power unit count (VIN or license #) is 2 unit(s) higher than the 7 reported on the MCS-150 (filed on 12/08/2015). ■ While this motor carrier's MCS-150 indicates that it operates as a household goods carrier, its operating authority indicates that it isn't a household goods carrier. ■ A total of 8 vehicles were used by other entities. (8 prior to, 1 during and 4 subsequent to this carrier's use of the vehicle(s)). |

Out of Service Violations / Accidents

Out of Service Violations
8/24/16

The following inspection and accident information from SAFER is based on results for 24 months prior to 8/24/16

| Overall | Vehicle | Driver | Hazmat |
|--|-------------------------------------|---|--|
| Total Inspections: 19 | Total Inspections: 6 | Total Inspections: 19 | Total Inspections: 0 |
| (Please note that the above number is not necessarily the total of the vehicle, driver and hazmat inspections, as one inspection may have included any combination of the above inspections) | Violations | Violations | Violations |
| | Brakes Lights Wheels Steering | Logs Hours Drug/Alco License Med Cert Traffic | Paper Placard Tank Emer.Res. Packag. |
| | 7 2 0 0 | 1 2 0 0 0 3 | 0 0 0 0 0 |
| Total Out of Service: 2 | Total Out of Service: 0 | Total Out of Service: 2 | Total Out of Service: 0 |
| Out of Service %: 10.53% | Out of Service %: 0.00% | Out of Service %: 10.53% | Out of Service %: 0.00% |
| National Average %: 17.76% | National Average %: 20.34% | National Average %: 4.96% | National Average %: 3.91% |
| Difference In %: -7.23% | Difference In %: -20.34% | Difference In %: 5.57% | Difference In %: -3.91% |

Accident Summary

| Fatal | Injury | Tow | Total Reportable | Accident to Power Unit Ratio |
|-------|--------|-----|------------------|------------------------------|
| 0 | 0 | 0 | 0 | 0.00% |

BASIC Summary

A red border around a BASIC means there is an alert for that BASIC.

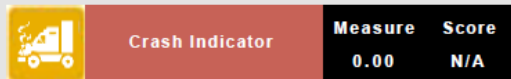
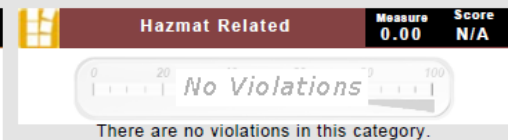
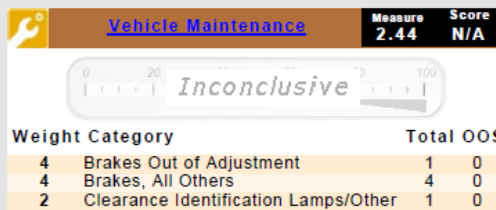
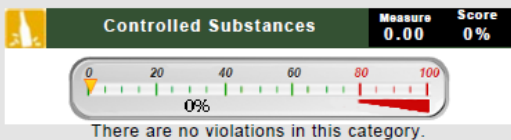
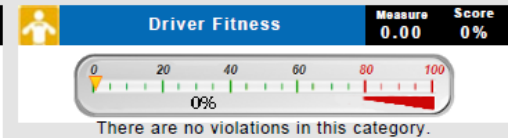
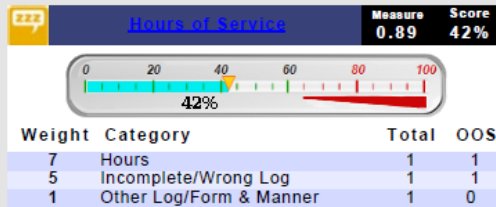
A red score means that the BASIC score is above the threshold for that category.

BASIC Alert Thresholds

Crash Indicator, Hours of Service, Unsafe Driving: 65%

Controlled Substances, Driver Fitness, Hazmat Related, Vehicle Maintenance: 80%

| Total Inspections Included in SMS | Driver Inspections | | Vehicle Inspections | |
|-----------------------------------|--------------------|-----|---------------------|-----|
| 20 | TOTAL | OOS | TOTAL | OOS |
| | 20 | 2 | 6 | 0 |



| Fatalities: | Injuries: | Tow: |
|-------------|-----------|------|
| 0 | 0 | 0 |

Inspections Spanning: 7/21/2014 – 7/21/2016 *

Inspected Units Summary

| Total Units Inspected: 41 | Unique VINs | Unique License Numbers | Licensing States |
|-----------------------------------|-------------|------------------------|------------------|
| Power Units (past 12 months): | 5 | 5 | IL, OH |
| Power Units (past 24 months): | 9 | 9 | FL, IL, OH |
| Non Power Units (past 24 months): | 12 | 13 | IL, ME |

Units Licensed per State

| St. | FL | IL | OH |
|-----|----|----|----|
| PU | 2 | 6 | 1 |

Violations Summary

| Vehicle Violations | | | Driver Violations | | | Hazmat Violations |
|---------------------------|-------|-----|----------------------------|-------|-----|---------------------------------------|
| Category | Total | OOS | Category | Total | OOS | There are no violations of this type. |
| BRAKES, ALL OTHERS | 4 | 0 | 10711 & 1415 HOURS | 1 | 1 | |
| BRAKES, OUT OF ADJUSTMENT | 1 | 0 | ALL OTHER HOURS-OF-SERVICE | 1 | 0 | |
| LIGHTING | 2 | 0 | NO LOG / LOG NOT CURRENT | 1 | 1 | |
| UNKNOWN - VEHICLE | 2 | 0 | SEAT BELT | 1 | 0 | |
| | | | SPEEDING | 1 | 0 | |

Inspections Detail

Legend

- A Blue VIN indicates a Power Unit
- A Grey VIN indicates a Non-Power Unit
- A Red Violation indicates an Out-of-Service or Severe Violation
- A Red Tag indicates an Accident
- A Red Accident indicates an Accident with Fatalities
- VIN Operated by Other Entity Prior During After Total

VIN: 1FUJBBCK77LW35077

1 0 0 1

| Date | State | Location | Shipper Name | Unit Type | Unit Make | Unit License | License State |
|---|-------|----------------------------|-------------------------|-------------------------------------|-----------|-----------------|---------------|
| 10/7/14 | TN | COFFEE COUNTY SCALES | GALLOWAY COMPANY | TRUCK TRACTOR | FRHT | | IL |
| 10/11/14 | IL | I-55 N/B M/P 65 | | TRUCK TRACTOR | FRHT | | IL |
| Violations: Code: 393.55c1 Description: ABS - all tractors manufactured on or after 3/1/1997 air brake system | | | | Category: BRAKES, ALL OTHERS | | BASIC Weight: 4 | |
| 1/24/15 | OH | ROADSIDE | BEST PPROVISION CO, INC | TRUCK TRACTOR | FRHT | | IL |
| 2/4/15 | KY | RUSSELL SPRINGS | | TRUCK TRACTOR | FRHT | | IL |
| 2/11/15 | MS | OSYKA SCALE I-55 NORTH | | TRUCK TRACTOR | FRHT | | IL |
| 5/19/15 | MO | EASTBOUND SCALES ST. CLAIR | CEEGEE FOODS LLC. | TRUCK TRACTOR | FRHT | | IL |
| Violations: Code: 393.47e Description: Clamp/Roto-Chamber type brake(s) out of adjustment | | | | Category: BRAKES, OUT OF ADJUSTMENT | | BASIC Weight: 4 | |
| Code: 393.53b Description: Automatic brake adjuster CMV manufactured on or after 10/20/1994 - air brake | | | | Category: BRAKES, ALL OTHERS | | BASIC Weight: 4 | |
| Code: 393.9 Description: Inoperative required lamps | | | | Category: LIGHTING | | BASIC Weight: 2 | |
| 8/18/15 | MO | US 60 AT CRD 589 | | TRUCK TRACTOR | FRHT | | IL |



****WARNING**WARNING**WARNING**

You are accessing a U.S. Government information system. This information system, including all related equipment, networks, and network devices, is provided for U.S. Government-authorized use only. Unauthorized or improper use of this system is prohibited, and may result in civil and criminal penalties, or administrative disciplinary action. The communications and data stored or transiting this system may be, for any lawful Government purpose, monitored, recorded, and subject to audit or investigation. By using this system, you understand and consent to such terms.

****WARNING**WARNING**WARNING**

WELCOME TO SAFER

The FMCSA Safety and Fitness Electronic Records (SAFER) System offers company safety data and related services to industry and the public over the Internet. Users can search FMCSA databases, register for a USDOT number, pay fines online, order company safety profiles, challenge FMCSA data using the DataQs system, access the Hazardous Material Route registry, obtain National Crash and Out of Service rates for Hazmat Permit Registration, get printable registration forms and find information about other FMCSA Information Systems.

Notice

The updating of a specific USDOT Number or Docket Number requires the use of a Personal Identification Number (PIN) to access the system.

If your PIN is not known, you may request one be provided by selecting one of the following options:

[Click here to request a USDOT Number PIN be emailed.](#)

[Click here to request a USDOT Number PIN be mailed to the address on file.](#)

Allow 7 - 10 Business Days to receive a PIN notification letter.

[Click here to request a Docket Number PIN be mailed to the address on file.](#)

Allow 7 - 10 Business Days to receive a PIN notification letter.

Note: Docket Number PINs cannot be emailed.

Enforcement users must now use the FMCSA Portal link to SAFER to access SAFER Enforcement Related Functions.

FMCSA Services

- [FMCSA Registration & Updates](#)
- [Online Fine Payment](#)
- [MCMIS Data Dissemination Catalog/Company Safety Profiles](#)

SAFER Information

- [About SAFER](#)
- [SAFER News](#)
- [Company Snapshot Updates](#)
- [Frequently Asked Questions](#)

FMCSA Searches

- [Company Snapshot](#)
- [Analysis & Information \(A&I\) Online](#)
- [Licensing & Insurance](#)
- [Orders to Cease Operation \(OCO\)/ Out of Service Orders \(OSO\)](#)
- [Cargo Tank](#)
- [Crash Rate & Inspection Out of Service \(OOS\) Rates for Hazardous Materials Safety Permit Program](#) (Calculated on
- [FMCSA Registration Forms](#)
- [Unified Carrier Registration \(UCR\)](#)
- [Shipper Verification of Carrier Hazardous Material Safety Permit \(HMSP\)](#)

Other FMCSA Web Sites

- [FMCSA Home Page](#)
- [DataQs](#)
- [FMCSA Information Systems](#)
- [National HM Route Registry](#)
- [ITS CVISN](#)
- [FMCSA Portal](#)

Enforcement Users: Please use FMCSA Portal [Login](#)

USDOT Number MC/MX Number Name

Enter Value:

Company Snapshot

FREIGHT TECH CARTAGE INC

USDOT Number: 1930140

[ID/Operations](#) | [Inspections/Crashes In US](#) | [Inspections/Crashes In Canada](#) | [Safety Rating](#)

Carriers: If you would like to update the following ID/Operations information, please complete and submit form [MCS-150](#) which can be obtained [online](#) or from your State FMCSA office. If you would like to challenge the accuracy of your company's safety data, you can do so using FMCSA's [DataQs](#) system.

Carrier and other users: FMCSA provides the Company Safety Profile (CSP) to motor carriers and the general public interested in obtaining greater detail on a particular motor carrier's safety performance than what is captured in the Company Snapshot. To obtain a CSP please visit the [CSP order page](#) or call (800)832-5660 or (703)280-4001 (Fee Required).

For help on the explanation of individual data fields, click on any field name or for help of a general nature go to [SAFER General Help](#).

The information below reflects the content of the FMCSA management information systems as of **08/28/2016**.

Other Information for this Carrier

- [▼ SMS Results](#)
- [▼ Licensing & Insurance](#)

| | | | |
|--|--|---|--|
| Entity Type: CARRIER | | | |
| Operating Status: AUTHORIZED FOR Property | | Out of Service Date: None | |
| Legal Name: FREIGHT TECH CARTAGE INC | | | |
| DBA Name: | | | |
| Physical Address: xxxxxxxxxxxx xxxx, IL xxxx | | | |
| Phone: (xxx)xxx-xxxx | | | |
| Mailing Address: xxxxxxxxxxxx xxxx, IL xxxx | | | |
| USDOT Number: 1930140 | | State Carrier ID Number: | |
| MC/MX/FF Number(s): MC-689652 | | DUNS Number: -- | |
| Power Units: 10 | | Drivers: 12 | |
| MCS-150 Form Date: 07/16/2015 | | MCS-150 Mileage (Year): 700,000 (2014) | |
| Operation Classification: | | | |
| <input checked="" type="checkbox"/> Auth. For Hire <input type="checkbox"/> Exempt For Hire <input type="checkbox"/> Private(Property) <input type="checkbox"/> Priv. Pass. (Business) <input type="checkbox"/> Priv. Pass.(Non-business) <input type="checkbox"/> Migrant <input type="checkbox"/> U.S. Mail <input type="checkbox"/> Fed. Gov't <input type="checkbox"/> State Gov't <input type="checkbox"/> Local Gov't <input type="checkbox"/> Indian Nation | | | |
| Carrier Operation: | | | |
| <input checked="" type="checkbox"/> Interstate <input type="checkbox"/> Intrastate Only (HM) <input type="checkbox"/> Intrastate Only (Non-HM) | | | |
| Cargo Carried: | | | |
| <input checked="" type="checkbox"/> General Freight <input type="checkbox"/> Household Goods <input type="checkbox"/> Metal: sheets, coils, rolls <input type="checkbox"/> Motor Vehicles <input type="checkbox"/> Drive/Tow away <input type="checkbox"/> Logs, Poles, Beams, Lumber <input type="checkbox"/> Building Materials <input type="checkbox"/> Mobile Homes <input type="checkbox"/> Machinery, Large Objects <input type="checkbox"/> Fresh Produce <input type="checkbox"/> Liquids/Gases <input checked="" type="checkbox"/> Intermodal Cont. <input type="checkbox"/> Passengers <input type="checkbox"/> Oilfield Equipment <input type="checkbox"/> Livestock <input type="checkbox"/> Grain, Feed, Hay <input type="checkbox"/> Coal/Coke <input type="checkbox"/> Meat <input type="checkbox"/> Garbage/Refuse <input type="checkbox"/> US Mail <input type="checkbox"/> Chemicals <input type="checkbox"/> Commodities Dry Bulk <input type="checkbox"/> Refrigerated Food <input type="checkbox"/> Beverages <input checked="" type="checkbox"/> Paper Products <input type="checkbox"/> Utilities <input type="checkbox"/> Agricultural/Farm Supplies <input type="checkbox"/> Construction <input type="checkbox"/> Water Well | | | |

[ID/Operations](#) | [Inspections/Crashes In US](#) | [Inspections/Crashes In Canada](#) | [Safety Rating](#)

US Inspection results for 24 months prior to: 08/28/2016

Total Inspections: 21
 Total IEP Inspections: 0

Note: Total inspections may be less than the sum of vehicle, driver, and hazmat inspections. Go to [Inspections Help](#) for further information.

| <u>Inspections:</u> | | | | |
|------------------------------|---------|--------|--------|-----|
| Inspection Type | Vehicle | Driver | Hazmat | IEP |
| Inspections | 7 | 21 | 0 | 0 |
| Out of Service | 2 | 0 | 0 | 0 |
| Out of Service % | 28.6% | 0% | % | 0% |
| Nat'l Average % (2014- 2015) | 20.34% | 4.96% | 3.91% | N/A |

Crashes reported to FMCSA by states for 24 months prior to: 08/28/2016

Note: Crashes listed represent a motor carrier's involvement in reportable crashes, without any determination as to responsibility.

| <u>Crashes:</u> | | | | |
|-----------------|-------|--------|-----|-------|
| Type | Fatal | Injury | Tow | Total |
| Crashes | 0 | 0 | 1 | 1 |

[ID/Operations](#) | [Inspections/Crashes In US](#) | [Inspections/Crashes In Canada](#) | [Safety Rating](#)

Canadian Inspection results for 24 months prior to: 08/28/2016

Total inspections: 0

Note: Total inspections may be less than the sum of vehicle and driver inspections. Go to [Inspections Help](#) for further information.

| <u>Inspections:</u> | | |
|---------------------|---------|--------|
| Inspection Type | Vehicle | Driver |
| Inspections | 0 | 0 |
| Out of Service | 0 | 0 |
| Out of Service % | 0% | 0% |

Crashes results for 24 months prior to: 08/28/2016

Note: Crashes listed represent a motor carrier's involvement in reportable crashes, without any determination as to responsibility.

| <u>Crashes:</u> | | | | |
|-----------------|-------|--------|-----|-------|
| Type | Fatal | Injury | Tow | Total |
| Crashes | 0 | 0 | 0 | 0 |

[ID/Operations](#) | [Inspections/Crashes In US](#) | [Inspections/Crashes In Canada](#) | [Safety Rating](#)

The Federal safety rating does not necessarily reflect the safety of the carrier when operating in intrastate commerce.

Carrier Safety Rating:

The rating below is current as of: **08/28/2016**

Review Information:

| | | | |
|--------------|------|--------------|------|
| Rating Date: | None | Review Date: | None |
| Rating: | None | Type: | None |



Insurance History

| US DOT: | 1930140 | Docket Number: | MC689652 | | | | |
|--------------------|--------------------------|---|---------------|---------------|-------------|---------------------|-------------------------|
| Legal Name: | FREIGHT TECH CARTAGE INC | | | | | | |
| Form | Type | Insurance Carrier | Policy/Surety | Coverage From | Coverage To | Effective Date From | Effective Date To |
| 91X | BIPD/Primary | ILLINOIS NATIONAL INSURANCE CO. | TP9881950 01 | \$0 | \$750,000 | 09/29/2014 | 09/29/2015 Cancelled |
| 91X | BIPD/Primary | CANAL INSURANCE CO. | PIA07496601 | \$0 | \$750,000 | 08/29/2014 | 09/29/2014 Replaced |
| 91X | BIPD/Primary | CANAL INSURANCE CO. | PIA07496601 | \$0 | \$750,000 | 05/27/2014 | 08/29/2014 Cancelled |
| 91X | BIPD/Primary | CANAL INSURANCE CO. | PIA07496601 | \$0 | \$750,000 | 04/01/2014 | 05/27/2014 Cancelled |
| 91X | BIPD/Primary | CANAL INSURANCE CO. | PIA07496601 | \$0 | \$750,000 | 10/08/2013 | 04/01/2014 Cancelled |
| 91X | BIPD/Primary | GREAT WEST CASUALTY CO. | GWP66403A | \$0 | \$1,000,000 | 10/08/2012 | 10/08/2013 Cancelled |
| 91X | BIPD/Primary | GREAT WEST CASUALTY CO. | GWP66403A | \$0 | \$1,000,000 | 10/08/2009 | 10/08/2012 Cancelled |
| 34 | CARGO | GREAT WEST CASUALTY CO. | GWP66403A | \$0 | \$5,000* | 10/08/2009 | 07/30/2015 Cancelled |
| 84 | SURETY | GREAT WEST CASUALTY CO. | SIC16926A | \$0 | \$10,000* | 06/28/2010 | 08/16/2013 Cancelled |

* If a carrier is in compliance, the amount of coverage will always be shown as the required Federal minimum (\$5,000 per vehicle, \$10,000 per occurrence for cargo insurance, \$75,000 for bond/trust fund insurance for brokers and freight forwarders). The carrier may actually have higher levels of coverage.

| [Carrier Details](#) | [Active/Pending Insurance](#) | [Rejected Insurance](#) | [Authority History](#) | [Pending Application](#) | [Revocation](#) |

August 29, 2016



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Federal Motor Carrier Safety Administration
1200 New Jersey Avenue SE, Washington, DC 20590 - 1-800-832-5660 - TTY: 1-800-877-8339 - Field Office Contacts

UNDERWRITING RED FLAGS

- Cancellation for non-compliance of company recommendations
- Inability to obtain information from Insured
- Very Rapid growth of a new business venture without valid explanation. The explanation must be substantiated.
- Brokerage Operations – The insured could broker a load with a driver with no insurance. Since it is brokered on the insured authority, the insured's policy picks up the exposure with no compensation
- Old Equipment
- DUI or Drug Possession
- Unreported Drivers – Insured knowingly hire someone that does not meet the insurance companies hiring standards (i.e. 20 year old with DUI)
- Unreported Vehicles

GOOD RISK CHARACTERISTICS

- No problems whatsoever obtaining information
- Low driver turnover – (good long term seasoned drivers)
- Low safety scores for drivers and vehicles on SAFER compared to national average (high is bad)
- Has established shipper relationships
- High revenue per mile 1.50/mile is considered high revenue
- Written Safety Manuals
- Foster an environment of Safety
- Neat premises
- GPS equipped vehicles, electronic monitoring equipment
- All their info adds up
- Structured hiring practices. Has high expectations for drivers. Wants qualified drivers
- Low loss frequency

BAD RISK CHARACTERISTICS

- Hard to obtain information
- High driver turnover
- High Safety Scores, drivers and vehicles
- Hauls anything, anywhere
- Has low revenue for type of operations – always exceptions
- No Safety Manual
- Inconsistent information
- No structured hiring practices – they tend to bring brand new young drivers. They are willing to take a chance with the public's safety.
- Loss Frequency problems. Over 30% loss ratio. 1.5 losses per million miles traveled.
- Insured acts confused when discussing requirements. They all understand. If they don't, you should seriously reconsider working on the account

SUBMISSION REQUIREMENTS

- Fully completed applications – Acords with Supplemental
- Five year currently valued loss runs. Less than 60 days. A written explanation of any losses over 25K
- Drivers – schedule of all drivers – including
 - Date of birth
 - Drivers license number
 - Dates of hire
 - Years experience
- Detailed vehicle schedule – including
 - Garaging locations
 - VIN numbers
 - Stated values – on any vehicle that needs physical damage
- Copy of SAFER company shapshot – Clarify any issues on SAFER
- Last four quarters of IFTA (International Fuel Tax Agreement) reports
- Copies of any formal Safety or Maintenance agreements
- Details of Insured's hiring practices. What are their requirements, age, drug test, driver training, etc.

THINGS THAT WILL HELP YOU IN NEGOTIATING THE BEST PRICE

- Get to know the insured operation. (i.e. safety managers, drug screening, maintenance schedules)
- Know their revenue per mile. If it's high for industry it makes insured more preferred. They will tend to spend more money on maintenance and they don't run the wheels off the trucks. Discuss Revenue expectations with underwriters.
- Find out who they are hauling for. If they are hauling for only one or two entities you might be able to talk an underwriter into credits.
- What types of roads are they traveling? Highways are the best, Country Roads are the worst.
- Are their IFTA reports consistent? This will tell you how consistent their travels are. If they are all over the place, it indicates that they don't have stable routes.
- Are they backhauling? If so for who and what are they carrying?
- Do they use a freight broker to establish their routes. If they do this will often times raise the price of the liability. They are sent all over the place in broker situations.
- How is their out of service? Is it high? If it is you need to have an explanation as to why. It often reflects management style and priorities.
- Know the details of claims history. Frequency is the enemy, especially if it's the same type of losses. I.e. tire shredding on highway, rear ending people. Shock losses happen.

KNOWN TRUCK FOR HIRE MARKETS

- Great West
- Northland
- Occidental Fire & Casualty
- National Casualty
- Carolina Casualty
- Sentry
- Acuity
- QBE
- Continental Western
- Progressive
- National Liability & Fire
- National Indemnity
- Acceptance Casualty
- Stratford Insurance
- Star Indemnity
- AIG
- Travelers

