

# APPLICATION FOR PHYSICAL DAMAGE INSURANCE FOR INDEPENDENT CONTRACTORS



As an Independent Contractor, you can voluntarily elect to participate in the Physical Damage Insurance Program developed by Gallagher Transportation for Independent Contractors. Coverage includes comprehensive and collision insurance coverage designed for Independent Contractors. By providing the information requested below and submitting it to the Gallagher Insurance Administrator, coverage will become effective upon acceptance by the Administrator. Notification of acceptance will be mailed to the mailing address shown on the application.

BUCHANAN HAULING & RIGGING INC

**Name of Motor Carrier (Sponsoring Motor Carrier)**

**Your Name**

**Mailing Address**

**City**

**State**

**Zip**

**Home Phone**

**Effective Date**

**Received By:**

Deductible Collision and/or Specified Perils Coverage \$1,000
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## TRACTOR/POWER UNIT TO BE INSURED

**Unit No.**

**Year & Make**

**Serial Number**

**Amount Insured (ACV)**

**Lienholder**

**Street**

**City**

**State**

**Zip**

## TRAILER (S) TO BE INSURED

**Unit No.**

**Year & Make**

**Serial Number**

**Amount Insured (ACV)**

**Lienholder**

**Street**

**City**

**State**

**Zip**

Fax to Gallagher Transportation

Yes  No  (if yes, date) \_\_\_\_\_

For Gallagher Transportation

Date Coverage Accepted \_\_\_\_\_ Initiated \_\_\_\_\_

## CERTIFICATION

I certify that all information is true and correct to the best of my knowledge and that the equipment to be insured, and the driver of the equipment to be insured, meets the safety requirements of the sponsoring motor carrier and the Department of Transportation. Further, I have read, understand and agree to the terms and conditions, which apply to this coverage and stated on the backside of this application. I also agree that the Certificate of Insurance evidencing this coverage shall constitute a properly executed and effective Addendum to the haulage contract between the undersigned and the sponsoring motor carrier.

Signed \_\_\_\_\_  
Owner or Authorized Representative

Date: \_\_\_\_\_

**THE FOLLOWING TERMS AND CONDITIONS WILL APPLY TO  
PHYSICAL DAMAGE COVERAGE PROVIDED TO INDEPENDENT  
CONTRACTORS**



**ACTUAL CASH VALUE (ACV)**

Your equipment is insured against covered losses for its actual cash value at the time of loss or cost of repair, whichever is less. Actual Cash Value means the cost to purchase similar equipment (year, make, model, equipment, etc.). If you over-estimate your equipment's value, you will receive only the actual cash value at the time of loss. On the other hand, if you under-estimate your equipment's value, the maximum amount which would be paid will be the insurable value on which you have paid your cost of insurance. Therefore, it is important that you properly value your equipment. You should check with a dealer to determine the actual cash value of your equipment.

**EFFECTIVE DATE**

Coverage will become effective on the date your application is accepted by Gallagher Transportation, the insurance administrator.

**TERMINATION**

In the event your haulage contract with the sponsoring motor carrier is terminated, settlement deduction will automatically cease and your coverage will automatically terminate within the terms and conditions of the policy or as soon as allowed by law. When this happens, you should make arrangements to replace your physical damage insurance coverage immediately.

If you wish to voluntarily withdraw from the insurance program, written notification must be given to the insurance underwriter of your intent. Such written notification may be given to the Gallagher Transportation Administrative Office.

The insurance underwriter retains the right to cancel the insurance coverage in accordance with policy terms and conditions. You will be given a minimum of 15 days notice of cancellation.

**LIENHOLDER**

If you have specified a lienholder on the application, notification of coverage will be sent to the lienholder at the address you provide. Remember, the insurance underwriter is obligated to include the lienholder's name, as well as your own on all claim payment checks.

**POLICY TERMS AND CONDITIONS**

You will receive from Gallagher a certificate of insurance. A copy of the certificate will become an addendum to your haulage contract with the sponsoring motor carrier for purposes of cost disclosure. Please review the certificate carefully to be certain that it is correct. A copy of the policy is available upon written request to the sponsoring motor carrier and/or Gallagher.

Upon your written notice to the Gallagher Administrative Office, you can request changes in equipment, lienholder, etc. or obtain a copy of the policy.

**COST AND CONSENT TO RATE**

You, the Independent Contractor, accept and acknowledge that your insurance cost, as explained more fully in this application, may include premium, taxes, fees, and/or administrative expenses of the sponsoring motor carrier, Association, and/or Gallagher. Further, the underwriters retain the right to change the physical damage cost or terms and conditions by giving thirty days notice to you of a change. You, the Independent Contractor, may elect to continue coverage under the revised terms and conditions or choose to replace coverage with a different insurance policy. In such event, the underwriters will issue a notice acknowledging your cancellation or a replacement certificate reflecting the revised cost to you. A copy of the certificate will become an addendum to your haulage contract with the sponsoring motor carrier for purposes of cost disclosure.

**DISCLOSURE**

By signing this application, you, the insured, understand and acknowledge, that Gallagher Transportation is the authorized insurance agent, and Claims Management Corporation ("CMC") is authorized claims administrator for the insurance programs. offered to the Independent Contractors of the sponsoring motor carrier.

**AUTHORIZATION OF SETTLEMENT DEDUCTION**

In accordance with your haulage contract, and as an addendum thereto, you, the Independent Contractor, authorize the sponsoring motor carrier to periodically deduct your insurance costs. If such settlements (or other monies due you) are not sufficient to allow deduction of the cost, you will be asked to remit by certified check or money order the outstanding insurance cost to Gallagher Transportation, 2345 Grand, Suite 800, Kansas City, MO 64108 within a ten (10) day period. Otherwise, the insurance underwriters may cancel this insurance coverage within policy terms and conditions. Coverage will not automatically be reinstated if cancellation is processed.

**PLEASE READ ALL INFORMATION  
CAREFULLY BEFORE SIGNING THE  
APPLICATION ON THE REVERSE SIDE**

**Gallagher Transportation Services**

A division of Arthur J. Gallagher & Co. - Kansas City  
2345 Grand, Suite 800  
Kansas City, MO 64108  
(800) 279-7500



Please fax all applications to Gallagher Transportation at (816) 329-0891